OFFICIAL REPORT

OF THE

DEBATES

OF THE

HOUSE OF COMMONS

OF THE

DOMINION OF CANADA

FOURTH SESSION—NINTH PARLIAMENT

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COMPRISING THE PERIOD FROM THE FIRST DAY OF JUNE TO THE FIFTH DAY OF JULY, INCLUSIVE



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ERRATA

VOL. III.

Col. 4724, 26th line from foot of column:—'Mr. W. S. Maclean' should read 'Mr. W. S. Maclaren.'

Col. 4843, 20th line from top:—'wipes out ..... bounty added,' should read 'would wipe out an additional bounty of 52 cents per barrel, and leave the producer at a disadvantage of 8 cents per barrel with two bounties added.'

Col. 5284, 24th line from top of column, after:—'go into' delete next line and substitute 'Committee of Supply, I desire to bring to the.'

Col. 5802, 25th line from foot of column, after:—'them worth' delete next line from 'upon this subject ..... alluded to' so that it will read 'I did not think them worth alluding to.'

House of Commons Debates

FOURTH SESSION—NINTH PARLIAMENT

HOUSE OF COMMONS.

WEDNESDAY, June 1, 1904

The SPEAKER took the Chair at Three o'clock.

QUESTIONS.

NAPOLEON BRIDGE OVER LACHINE CANAL.

Mr. RIVET asked :

1. Has the government given instructions to the Deputy Minister of Railways and Canals to inquire into the causes of delay in the construction of the Napoleon bridge over the Lachine canal ?
2. If so, has the deputy minister made a report on the subject ?
3. If so, what is the nature of that report ?
4. Is the government preparing to take the necessary steps to bring about the immediate execution of those works ?

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I understand that the Railway Department is attending to this matter, but I cannot give the precise information that my hon. friend asks for to-day.

SITE FOR DRILL HALL AT ST. JOHN.

Mr. DANIEL—by Mr. Taylor—asked :

1. Did the Minister of Militia, or any other member of the government, authorize any officer of the militia, or other person in St. John, N.B., to obtain an option on the Chipman or other site in that city at any time ; the object in view being the location for a new drill hall ?
2. If so, was such option obtained, and what was the price named ?
3. Was an engineer officer sent to St. John, N.B., at any time within the last four years to report on the above-named Chipman site and other sites ?
4. If so, what was his report ?
5. Is it the intention of the government to erect a new drill hall in St. John, N.B. ?
6. If so, when will such construction be commenced, and on what location ?

Hon. Sir FREDERICK BORDEN (Minister of Militia and Defence) :

1. No, so far as the Minister of Militia is concerned.
2. (a) An option was reported as having been obtained ; (b) The price asked for the whole property is not known to the department, but the sum of $3,250 was asked for the small lot on which the house stands.
3. Yes.
4. The chief engineer of the department proceeded to St. John to report on several proposed sites not owned by the government. Of such proposed sites he recommended the Chipman property. He did not report as to whether this site was to be preferred to the present drill shed site.
5. Yes.
6. Matter is under consideration.

MONUMENTS ON PARLIAMENT HILL.

Mr. HACKETT asked :

In view of his important services to the country, in the making of the Dominion, of his great talent and eloquence, and especially of his sterling patriotism, is it the intention of the government to honour the memory of the late Hon. Thomas D'Arcy McGee, and through him people of Irish birth and descent in this Dominion, by the erection of a suitable statue to him on Parliament Hill, as has been done in the cases of Sir John A. Macdonald, Sir Etienne Carter and the Hon. Alexander Mackenzie ?

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). It is the intention of the government to erect on Parliament Hill monuments to the great characters in the history of the Dominion, and, of course, Mr. McGee would be included amongst them.

YUKON—EDMONTON ROUTE.

Mr. CLARKE asked :

1. In connection with the rush to the Yukon gold fields in 1897, were any communications received by the government, or any member thereof, in the year named or the following year, advocating the Edmonton route as a means of reaching the Yukon ?
2. If so, from whom were these communications received ?
3. What is the nature of these communications ?
4. What action was taken upon them ?
5. Did the government cause to be published a pamphlet descriptive of the Edmonton route to the Yukon ?
6. Did the government cause a notice to be issued warning people of the dangers of the route in question to inexperienced persons ?

Hon. CLIFFORD SIFTON (Minister of the Interior) :

1. Yes.
2. From the boards of trade of Edmonton, Winnipeg and London ; the legislative assembly of the Northwest Territories ; the

town councils of Edmonton, Regina and Winnipeg; and the municipality of Springfield, Manitoba.

3. They recommend the Edmonton route on account of the advantages which would accrue to Canada by its adoption.

4. A small body of Northwest Mounted Police, in command of Inspector J. D. Moodie, was detailed to test the route in the year 1897. His report is contained in the annual report of the Northwest Mounted Police for 1898. A grant of $15,000 was voted by parliament during the session of 1898 toward the construction of a trail from Edmonton towards the Yukon Territory, which was expended by the government of the Northwest Territories.

5. No pamphlet was issued especially dealing with the Edmonton route. A pamphlet entitled 'The Klondike Official Guide' was prepared by Wm. Ogilvie, D.L.S., and published in 1898 by authority of the Department of the Interior. It contains a description of the various routes to the Yukon, and, among others, gives some description of the Edmonton route.

6. The government neither advised nor discouraged travel by the Edmonton route. The information at the disposal of the government was placed before the public, so that travellers might judge for themselves.

MAIL SERVICE BETWEEN CAPES TRAVERSE AND TORMENTINE.

Mr. LEFURGEY—by Mr. Hackett—asked:

1. How many men were employed in carrying the mails by the iceboats between Capes Traverse and Tormentine during the winter of 1904?

2. What are the names and respective post office addresses of the men so employed?

3. What was the amount of wages paid to each, and were they paid by the day or by the trip?

4. Who had the contract for carrying the mails between the shore and the iceboats at Cape Traverse during the winter of 1904; also between the iceboats and the shore?

5. How was said contractor employed, by so much per diem or by the round trip?

6. If by the day, how much was paid? If by the trip, the cost of same?

7. What was the total amount paid to the contractor for said services?

8. When did this service commence, and on what date did it cease; and on how many days were the mails carried by the capes?

9. On how many days did the steamships 'Stanley' and 'Minto' fail in crossing between Georgetown and Pictou during the winter of 1904, and what were the dates of same?

10. While mails were carried by the capes, on how many days did the boats fail in crossing?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). If the hon. gentleman will move for a return, the papers will be laid on the table of the House in a very short time. The information is very voluminous.

Mr. CLARKE.

GRAND TRUNK PACIFIC—EMPLOYMENT OF ALIENS.

Mr. R. L. BORDEN (Halifax). Mr. Speaker, before the Orders of the Day are called, I would like to ask the government whether or not any counsel are being employed on the investigation which is now proceeding before Judge Winchester? I have only a knowledge of the character of the proceedings by what I see in the daily press, and I would gather from this that while the people are not represented by counsel the corporation particularly interested is represented by counsel in some of the proceedings at least. I would not think that an investigation of that kind would probably be very effective or that we would get at the bottom of the facts which we desire to be made public unless counsel are employed to assist the judge. A man in the judicial position of Judge Winchester, because he is assuming a judicial position in this investigation, could not very well be expected to properly cross-examine the witnesses called before him. I do not know what the character of the examination is except from what I observe in the daily press, but if the examination of these witnesses is of the character reported, then I would venture to say that the investigation will not amount to very much, and the facts will not be elicited. It is absolutely impossible for the government to establish the facts as they should be established if they simply have important witnesses summoned before Judge Winchester and have that judge administer to these witnesses interrogatories of the somewhat mild and not very far-reaching character which are reported in the press. It may be that the press is not doing him justice, but the investigation is hardly worthy of the name if it is going on as reported in the press. If the investigation is designed to be thorough, I would suppose that the facts would be put into possession of counsel, and that these witnesses would be subject to cross-examination, so that we may have a report in which parliament might afterwards place some confidence as having been thorough and exhaustive. It may be that counsel are employed, but the report in the press does not indicate that.

Sir WILFRID LAURIER. I can give no information to my hon. friend upon this subject. I will have to confer with the Minister of Labour, and probably to-morrow, I will let my hon. friend know.

Mr. SAM. HUGHES. While Judge Winchester is running around the country on a fool's errand, I would suggest to the Prime Minister that if he goes to work and gets Mr. Hays and the auditor of the Grand Trunk to have a statement prepared by one of their clerks, of the names of all the employees on this engineering staff, then in five minutes the House and the country will know who these gentlemen are and where

they come from. That will not cost five cents, whereas this commission of Judge Winchester, judging from other commissions, will cost the country probably several thousands of dollars, and will be a whitewashing, delaying institution when it is through.

Sir WILFRID LAURIER. Does my hon. friend object to this commission ?

Mr. SAM. HUGHES. I certainly do object to any such person being sent around this country, and I am satisfied that the taxpayers of this country will object to it. We don't want these judges taken from their jobs. We want them to attend to the business we pay them for doing, and it would suit the country better if they did that.

PERSONAL EXPLANATION—MR. WILLIAM ROCHE.

Mr. WILLIAM ROCHE (Halifax). I rise for the purpose of making a personal explanation. Yesterday, in the course of the debate, I stated that the hon. member for Lennox had controverted some remarks which I had made. He said that he could'nt have done so, because he had spoken before me. I then said that that gentleman like some others in the House, after he had made his main speech, added a number of little speeches or speechlets. I afterwards said that I was merely speaking from memory, and if my statement was not correct, I would make any explanation necessary to the hon. gentleman. I was not certain at the time, but the hon. gentleman (Mr. Wilson) was followed by my hon. friend from East Elgin (Mr. Ingram), who made the following remarks :—

I would remind the junior member for Halifax (Mr. William Roche) that he is mistaken when he thinks that the hon. member for Lennox followed him last year with his speech or even with a speechlet. There is no record of either such speech or speechlet. But I can tell him that the hon. gentleman who did follow him and who criticised his language very severely was the hon. member for Alberta (Mr. Oliver).

That was a direct contradiction of what I had said, and I take the liberty now of referring the hon. gentleman to page 610 of the Debates on which he will see that the hon. member for Lennox made three little speechlets in the course of the debate, and that on page 615 he made five additional little speechlets. Now, my reputation being assailed and I have been directly contradicted without warrant, an explanation is due from the hon. member (Mr. Ingram), and if that is the method in which he pursues investigation, then if he contradicts me on some future occasion, he had better have his facts more under control of his volition.

Mr. INGRAM. I still adhere to the statement I made yesterday, and the record will prove my statement to be correct. The hon. gentleman from Lennox was afterwards speaking on an item in the estimates, and which affected the question of immigration.

Mr. WM. ROCHE. It was the same debate on his motion, and he afterwards reaffirmed his previous statement.

Mr. INGRAM. The record will prove that the statement I made yesterday was correct, and if the record does not prove that I am willing to apologize. I defy the hon. gentleman from Halifax (Mr. Roche) to read from the record exactly the statements made by the hon. gentleman from Lennox.

Mr. WM. ROCHE. My hon. friend said that the hon. gentleman (Mr. Wilson) made neither speech nor speechlet, but the record shows that he made eight speechlets.

Some hon. MEMBERS. Read.

Mr. WM. ROCHE. I have not the book here ; the gentlemen on the other side of the House have it.

MONTREAL TURNPIKE TRUST—TOWN OF WESTMOUNT.

Mr. L. A. A. RIVET (Hochelaga) moved for :

Copies of all correspondence exchanged between the Department of Finance and the town of Westmount, concerning the purchase of debentures of the Montreal Turnpike Trust.

He said in making this motion, I want to draw the attention of the government to the position which the town of Westmount occupies with regard to the Montreal Turnpike Trust. Some time ago the question of the Montreal Turnpike Trust was raised in this House by the hon. member for Jacques Cartier (Mr. Monk). I do not intend to reopen that question; I want simply to state the fact that a few years ago the town of Westmount made a commutation with the Montreal Turnpike Trust, whereby the tolls which existed in that municipality were commuted in an annual sum that was calculated according to the amount of interest on the capital of the debentures covering the portion of the road situated within the limits of the municipality of Westmount. The capital of such debentures was about $6,800 on which the interest at six per cent was $408 per year, which sum has since been annually paid by Westmount to the Montreal Turnpike Trust, under that commutation, &c., &c. Under that commutation the town of Westmount secured the control, to a certain extent of that portion of the road within its limits, and the toll-gates were removed. By that commutation the town of Westmount undoubtedly bettered its position, because the toll-gates were an encumbrance, not only to the citizens of Westmount, but to the public at large. It is admitted on all sides that in the neighbourhood of Montreal and on the island of Montreal generally, the toll-gate system is antiquated, and the public at large are looking for its removal.

However, I do not say that this system could be got rid of unless we are satisfied that the roads which are under the control of the Montreal Turnpike Trust would be kept in as good order as they are at the present time. I am not prepared to say that the Montreal Turnpike Trust has not kept these roads in good order. Far from that, it is a well known fact that the system of toll-gates of the Montreal Turnpike Trust has done a good deal in the way of improving the roads on the island of Montreal, and that fact has had much to do with the prosperity of the farmers around Montreal. I am not going to enter into that question. I wish simply to say that the town of Westmount wants to secure the full control of its roads, and in order to obtain that end, it asks to purchase a certain amount of the debentures held by the government. The object of such a purchase is to enable the town to set up in compensation a claim which would be equal to the trust's claim resulting from the above commutation. The town of Westmount has asked the trust to pay to it the capital of the commutation. The trust has refused to accept that offer, alleging want of authority to alienate the whole or part of the roads under its control. A statute was passed by the legislature of Quebec authorizing the town of Westmount to pay the capital to the trust. In spite of that statute, the Turnpike Trust refuses still to accept the capital of the commutation. The town of Westmount now desires to buy an amount of the debentures equal to the amount of the commutation which has been made with the Turnpike Trust. Some correspondence has been exchanged between the town of Westmount and the Finance Minister, I understand, and I ask that a copy of that correspondence be laid on the table of the House. I think the town of Westmount is fairly entitled to better its situation, and to have a chance of securing control of the road that belongs to the Turnpike Trust.

Hon. W. S. FIELDING (Minister of Finance). Of course, there can be no objection to the motion of my hon. friend from Hochelaga (Mr. Rivet). The correspondence will be brought down. My recollection is that the town of Westmount asked us to fix a price on a portion of the securities of the Montreal Turnpike Trust. In our judgment, it was not good policy to fix a price for a portion of the securities; but we were quite open to receive any proposal for dealing with the whole question from the provincial authorities, the municipalities, or any one else concerned in the administration of the roads. Therefore it was not deemed expedient to name a price to this municipality for a portion of the debentures. However, the correspondence will be brought down promptly.

Mr. F. D. MONK (Jacques Cartier). This motion affords another instance of the necessity of the government interfering with regard to the road system on the island of Montreal. The situation of Westmount is a very peculiar one. It has commuted a considerable portion of what was formerly a road and is now an important street in that municipality for a certain sum paid to the Montreal Turnpike trustees. It pays every year a certain sum which is supposed to represent a proportion of the amount of the bonds which are now in the hands of the Dominion government. That is supposed to be the interest due every year to the Dominion government as the proprietor of those bonds. That interest, however, is not paid over to the Dominion government. It is kept and used for the administration of the road actually controlled by the trustees of the Montreal Turnpike Trust. The town is obliged, moreover, under its legal agreement to keep that piece of road in perfect order under the direction of the trustees, and it has no absolute control over it. It has to execute works upon that street —lay water pipes, gas pipes, sidewalks and pavements; and it can do nothing at all because the street is not its property, not having been transferred to it under a title which would admit of its dealing with it as it deals with other streets in the municipality. As I have stated again and again in this House, these debentures or bonds are worth absolutely nothing, because they cannot be realized upon. The only recourse the holder of them, the Dominion government, would have, would be to take possession of the road and have a receiver appointed to collect the tolls. These tolls might pay a portion of the interest, but, on the other hand, the road would be absolutely neglected, and that state of affairs would not continue for more than a month or two. So that on the market these bonds are worth practically nothing. The town of Westmount has asked the Minister of Finance to fix a value upon the portion of bonds upon the piece of road which it holds under a commutation deed from the trustees, and it is ready to pay the amount of that valuation in order to obtain possession of the road at once, and deal with it as it does with the rest of the streets of the town. The Minister of Finance has refused to accede to that request. At first the Minister of Finance asked the town of Westmount to place a value on the bonds. The town did so, and since then, so far as I am aware, nothing has been done. The town offered more than the actual value of the bonds, but the offer has been refused by the department. I do not think that is fair. I think that the offer of the town to pay the market value of the bonds is a fair offer, and should be accepted by the department. I would like to add that the situation of the town of Westmount is very much the same as that of several other municipalities. There is a similar arrangement with the town of Verdun in my constituency. In

fact, in every suburb of Montreal, in order to get rid of the intolerable nuisance of toll-gates in a very much frequented locality, an arrangement of a similar kind has been made; and I think it would be the duty of the government, by an audit of the accounts of the trustees or by the appointment of a commissioner or in some other way to get at an absolute knowledge of the real value of these bonds, and accede to the request of these different municipalities.

I repeat, what I have frequently said on other occasions, that I think the Dominion government, which controls entirely the corporation of the trustees—because, although the corporation is incorporated by provincial authority, the government appoints the majority of the trustees—should inquire into the administration of the road system and use the power it possesses by the fact that it is the holder of all the bonds and thus controls the operation of the board, to have legislation adopted by the provincial parliament which would abolish once and for all the system of toll-gates, and give us the same system on the Island of Montreal as has been established around every important city of the continent of America.

Motion agreed to.

QUEBEC CENTRAL RAILWAY.

Mr. J. B. MORIN (Dorchester). Some time ago I put a question on the paper asking how much the government received annually from the Quebec Central Railway Company for the passage of its trains over the Intercolonial from Harlaka to Lévis and any other services. I was asked to move for a return and therefore I beg to move for—

A copy of all statements, documents and papers showing how much the government has received annually from the Quebec Central Railway Company from 1896 to 31st December, 1903: (a) for the passage of its trains over the Intercolonial from Harlaka to Lévis; (b) for the storage of its freight; (c) for water supplies; (d) for any other services.

Motion agreed to.

RESIGNATION OF HENRY GOODRICK.

Mr. F. D. MONK (Jacques Cartier) moved for:

Copy of all correspondence between the post office authorities and Henry Goodrick, of Mount Royal Vale, in reference to his resignation as a post office employee?

He said: This is a motion for papers in connection with the resignation of a postal employee in the city of Montreal, who seems to have been compelled to tender his resignation under circumstances of very great hardship. The correspondence seems to cover only four or five pages and can be very easily brought down. I would like it to be brought down as soon as possible so that when the estimates of the Post Office Department are taken up, I will be in a position to expose the grievance in this matter.

Motion agreed to.

GRAND TRUNK PACIFIC RAILWAY—PAPERS *RE* CONSTRUCTION.

Mr. SAMUEL BARKER (Hamilton) moved for:

Copies of all papers and documents in the possession of the government, not already brought down, and of whatever character or description, relating to the proposed National Transcontinental Railway; to any proposals to construct the whole or any part of such railway; to any application for aid in the construction of all or any part and parts of such railway to the submission of any such proposals to parliament; and all correspondence relating to the matters aforesaid.

He said: This motion is almost identical with others made on previous occasions by members of this House, but I have inserted a few words in it, which are not to be found in the others. I have inserted them for a special purpose, and I desire to draw attention to them and also explain why I have thought it necessary to insert them. I ask for all the papers and documents in the possession of the government, not already brought down, relating to the Transcontinental Railway, 'of whatever character or description.' Those words were not in the previous motion, and as perhaps there may be documents and papers in the possession of the government which have not been brought down, because of the absence of these words, I make the present motion.

An excuse was given for the non-production of a certain document to which I shall presently refer, but in the meantime I wish to point out that I insert these words so that in the event of this motion being carried and the order made as asked for, there shall be no doubt whatever that the House will be entitled to every paper relating to this matter, of whatever character or description it may be. I think it must have been a matter of extreme surprise to members of both sides, after the answers we have had from time to time by the right hon. the First Minister to questions put him in this House and after the statement made by him regarding the production of papers—the very emphatic and most unusual statement made by him in that regard—that the Finance Minister a few days ago should have brought to this House a most important document which had been in the possession of the government some eighteen months, which came expressly within the terms of the order of the House, but which had been held back and concealed from the House. I do not think, having regard to the statement made, that I am going too far when I say that the existence

of this document was concealed from the House. The right hon. gentleman, in answer to the hon. member for Jacques Cartier (Mr. Monk) said, after repeated questions, that every document had been brought down. He went on to say, 'without any equivocation at all,' that every paper had been produced, and he said that knowing at the time that the government was in possession of and keeping back a document of the utmost importance to the public interest in relation to the matter we were then discussing. That document was an application on behalf of the Grand Trunk Pacific, setting forth proposals for the construction of a large portion of the Transcontinental Railway, stating the terms and conditions on which it would build the proposed railway, stating them with almost as much exactness and particularity as you would find in an Act of parliament, and going on then to ask for aid from the government in the construction of the work.

One has only to read the terms of the proposition to see how exceedingly important the production of that paper was, how wrong it was to keep it back, and what bearing it would have had upon the discussion that went on for weeks last year and again for weeks during the present session. The document was dated as far back as November, 1902. The other day it was referred to almost as if it was a private letter addressed by two or three gentlemen to the right hon. Prime Minister personally. I propose to read two or three clauses to show how far such a description was from the fact. It begins :

Your petitioners desire to memorialize your government in regard to the construction of a first-class line of railway from the northern terminus of the Grand Trunk Railway, at, or near, North Bay, Ont., through to the Pacific coast.

That is the opening clause. It goes on :

It is considered very desirable in the public interest—

There are emphatic words showing the public nature of the document.

—that there should be, without any unnecessary delay, a second transcontinental railway reaching from the Atlantic ocean to the Pacific ocean, in order that additional facilities may be provided for the large growing business of the Northwest—

And here are some very significant words, having regard to the discussion of last year and this year :

—which might otherwise find its outlet through American channels.

Why, Sir, that was the subject that was discussed and debated on both sides of this House for weeks, the question whether traffic might be diverted from Canadian to American channels ; and that, Sir, these petitioners, pointed out as a danger that they proposed to guard this country against.

Mr. BARKER.

And yet we were discussing this matter time and time again, week after week, without having the benefit of putting this testimony, from the very mouths of these gentlemen, before the House. Then, it goes on :

2nd. That your petitioners propose, as soon as authorized by your government, to undertake the construction of such a line from North Bay, Ont. (or some other point north thereof, to be defined), to the Pacific coast, the terminus to be at or near Port Simpson, with all necessary branches along the route, to be designated.

Then comes clause 3, another significant one :

3rd. That your petitioners, therefore, ask that their application for authority to construct such a line of railway, to be called the 'Grand Trunk Pacific Railway' shall be granted.

This in a 'private,' 'confidential,' 'personal' document. Did not these gentlemen who signed this petition, Mr. Hays, railway manager, Mr. Cox, president, I think, of several railway companies in his time, and Mr. Wainwright, an officer of a railway company who, for a quarter of a century, has been doing business before this House in relation to charters, know to whom they were really applying for authority to construct a line of railway. Did these gentlemen imagine, in their innocence, that the right hon. gentleman (Sir Wilfrid Laurier) could authorize the construction of the railway ? Did these gentlemen suppose that the government, with all the power they assume to themselves, could authorize the construction of a railway ? No, Sir ; the only body that could authorize the construction of the railway was this parliament. And, with that clause in their petition, they intended that petition to be not merely for the government but for parliament, the only body that could grant their prayer. I will read a couple of other clauses that would have been of vast importance to gentlemen on this side of the House in their discussions and also, I think, to the people. One of them is as follows :—

8th. That in order to provide for connection with the Atlantic sea-board all the year round and through an all-British territory route, your petitioners will be prepared to enter into an arrangement with the government for an interchange of traffic, or other satisfactory agreement, with the Intercolonial Railway at Montreal, or to consider such other proposal as the government may submit.

Let me read with that an even more significant clause. I call the attention of the House to the fact that this application is on behalf of the Grand Trunk Pacific and not in behalf of the Grand Trunk :

9th. That your petitioners would have the advantage of all the eastern connections, in Ontario and Quebec, of the Grand Trunk Railway, and by this means on the completion of the transcontinental line there would be estab-

lished and opened up a complete system from ocean to ocean.

Now, Mr. Speaker, what does that mean ? Here we have the Grand Trunk Pacific proposing to build a line from Port Simpson to North Bay. They point out to the government that they would have the advantage, as they call it—and it certainly would be an enormous advantage—of the connections through Ontario and Quebec of the existing Grand Trunk Railway, whereby, of course, they would reach Montreal. And, under clause 8 they tell the government that they were ready to make such arrangements that their traffic arriving at Montreal would there be turned over to the Intercolonial. Why, Sir, to say that that is not an important matter for this House to consider when discussing this transcontinental railway is merely trifling with words. There could be nothing more important, I venture to say, in the whole of the discussion we had last year, than the fact that the Grand Trunk Pacific were prepared to build to North Bay or to a point north of North Bay, and that, as to such traffic as should come through Ontario and arrive at Montreal, instead of its being left open to the great risk—the more than risk, the absolute certainty—of most of it going to Portland, they would enter into an arrangement with the government whereby it should go over the Intercolonial to Canadian seaports. Why, Sir, that was the very thing we were spending weeks in contending for, and if that document had been produced, we should have been able to show that the government had had submitted to them. Yet, we are told that nothing in this document affected the question. What did the Finance Minister (Mr. Fielding) say ?

> I want to know was there anything in that correspondence—

That is what he calls this petition.

> —which, if it had been brought down would have been of any service to hon. gentlemen on the other side of the House ?

Why, what could have been of more service than the production of these two clauses to show that it was within the power of the government to arrange that every pound of traffic that should go over the Grand Trunk Pacific to Montreal would be secured for Canadian ports ? He says :

> Is there anything in it which would have helped them in the discussion?

Well, I think if we had had an opportunity of using it the hon. gentleman would have heard the proposal discussed pretty fully.

This document proposed arrangements for the construction of a railway from the Pacific to North Bay, subsidized by the country, and it proposed the use of the Grand Trunk thence to Montreal, with arrangements to deliver the traffic to the Intercolonial Railway for carriage from Montreal to the Atlantic ports through Canadian territory—and all this he thinks did not concern us. Is there anything in it, he says, which could have helped them in the discussion ?

The right hon. gentleman adds :

> This confidential letter was in my own possession. This is the explanation which I have to give to my hon. friends.

And that is the only explanation we get for the non-production of a document of such vast importance.

The hon. the Finance Minister, shortly after reading the document in full to this House, said :

> We have not been dealing with any scheme touched by that document whatever.

He seems to have given so little heed to the discussion with regard to the danger of the diversion of the traffic from Canadian to American ports, that he could not see that these clauses, 8 and 9, had any bearing upon the subject. Well, I must say that when ministers pass over matters of that kind so lightly, I am not surprised that we have found so many ' blunders ' in this agreement from beginning to end. The hon. gentleman says his reason for not producing it was that it was a confidential document. Well, it is true that at the head of the copy of this document which has been read to the House there certainly is the word ' confidential,' but in such a matter as this, had the government any right to accept from any body of people a document containing such a proposition, to entertain that proposition, and to conceal it from parliament ? What right has a government to deal in such a way with public matters ? If the right hon. gentleman did not feel at liberty to treat that proposition as a business proposal should be treated by the government, why did he not return it to them and say : I cannot entertain it ? He could have done that, and then he could have said to parliament : I did receive a proposition, but it was marked ' confidential ;' and knowing my duty to parliament and to the country I refused to entertain it, and I returned it. There could be no objection to that. But the hon. gentleman, although he says he did not entertain it, told us in answer to the question I put the other day, that it was entertained, that is to say, that it was submitted to the cabinet. We have not yet seen the answer sent by the government to these gentlemen. I presume when the government receives a written application of that kind they do not give a verbal answer. I presume there was an answer to that application. How is it that that answer has not been brought down ? The hon. gentleman read the document to the House after obtaining Mr. Hays's permission, and yet he does not read the answer. Surely we ought to have everything. And what more, I ask, is there behind all this ? Must we drag every paper out of the hon. gentleman ? Are we to cross-examine him ? Surely that is not

treating the House properly. Surely we have a right to complain, and I do complain, and I think my complaint is justified after what has passed.

When the hon. member for Jacques Cartier (Mr. Monk) asked for these papers—specified with the utmost particularity—how is it that on that occasion the right hon. gentleman knowing that this document was in existence, having in his mind—as he must have had in his mind at that moment—this very paper, knowing it was one of the documents that this side of the House wanted to see. Why was it that he did not then ask Mr. Hays's permission to produce it to the House ? All he had to do, even according to his own view of it, was to send a telegram to Mr. Hays, saying: I am asked to produce all the papers relating to this transcontinental railway. Have you any objection to my producing your confidential letter ?—and the permission would have been granted. But it did not suit hon. gentlemen opposite to produce it. It would have furnished an argument to this side of the House, it would have furnished information to the public of the utmost importance, somewhat adverse to the government scheme, but still of great value to this House, which desired to arrive at an intelligent judgment upon this matter. The hon. gentleman did not choose to ask permission to produce that document. It was only when it suited the Finance Minister to use it, when he thought it would give him some little advantage, that it was produced. The moment the Finance Minister wanted to use it, the right hon. gentleman stirred himself up and got permission. He could have got that permission just as readily before, and could have complied with the order of the House to produce every document and, as he himself said, without any equivocation. I point that out to the right hon. gentleman, and I think it requires some explanation from him. I say again, if he could get that consent so readily, when he wanted to use the paper, why did he not get that consent when he knew this House wanted the paper? The House had ordered him to produce the paper, and yet he would not ask permission of the only man apparently, whose consent was required.

Then knowing that the House wanted such a paper as that, knowing that it was an important document and that it was in his possession, why did the hon. gentleman go out of his way to use such particularly emphatic language as to say to the hon. member for Jacques Cartier (Mr. Monk) : I tell you without any equivocation at all that you have all the papers ? A most extraordinary statement, surely. I have known hon. ministers to refuse to bring down papers in this House on the ground that the public interest required that they should not be produced ; but I never yet heard a minister deny the possession of papers, and then use the fact that the public interest was against their production as a reason for denying their existence.

The right hon. gentleman, in as plain terms as if he had said there was no such paper in existence, conveyed that to my hon. friend from Jacques Cartier. He was free to say that which he did not say : We have produced everything but confidential papers that we are not at liberty to produce. He did not choose to do that. He said, we have produced everything. Did any one ever hear of a minister of the Crown saying that he had produced every paper relating to a particular subject and when afterwards he was found in possession of a particular document saying : Oh, I did not produce that because it was against the public interest ? Did the hon. gentleman qualify his language at the time by saying that he produced only the papers that the public were entitled to ? The right hon. gentleman did not pursue that course. He had no trouble at all about plainly saying that he had produced everything. He put himself in the very awkward position that he practically denied having possession of any other documents than those which he produced. The hon. Minister of Finance (Mr. Fielding) does not seem to have much trouble on that score. He says if you have a confidential document you are not only justified in not producing it but when you are asked a question about it you can ignore it. I think treating the matter in that way would put the hon. gentleman in a very equivocal position. I think it would be a great deal more straightforward on all such occasions for the hon. gentleman to say : I have a document of a confidential character which I am not at liberty to produce. If that had been done we would have known there were documents behind and we would have inquired as to the propriety of the non-production of them on that ground. But we were misled. We were led to suppose that there were no such documents. The hon. Minister of Finance gets over it by saying : You are entitled to ignore it ; in effect you are entitled to say you have no such document because it is one that you ought not to produce. I do not think I am over-stating his language. I will give it exactly as he uttered it. He says at page 3837 of the unrevised 'Hansard' :

> —and I dispute the contention of the hon. member for Hamilton (Mr. Barker), that in bringing down a return or in answering a question in this House a minister is bound to take notice of any documents that are confidential. Such documents must be ignored.

That is the way that the hon. Minister of Finance puts it. In other words we can make you our answer as if no such document ever existed. Surely I need not argue that point. It is not arguable that such a thing can be proper. You may refuse to produce a document for special reasons, but to contend that you may ignore

its existence when you are questioned as to it is anything but creditable to the hon. gentleman who makes that proposition. Hon. gentlemen opposite refused to produce this particular document apparently on the ground that they did not grant the request, that they did not act upon the application. Well that is an extraordinary position for a responsible ministry to take before parliament under our constitution. It is that ministers can receive documents as ministers, consider them and refuse an application in which the country is vitally interested, and that is to be the end of the question. We need not discuss whether the particular terms of this application were favourable or unfavourable. The ministers simply decide for themselves that they are unsatisfactory and refuse it. How do hon. gentlemen opposite know but that parliament would take a different view of it? Are we to be shut off on such a question as this by the opinion of the ministers? Is this a star chamber government? Are they to settle questions of such vital moment to the country as this, and are we to have no opportunity of considering the proposition? This might be a proposition that the government, fairly and honestly considering it, may have thought unwise to accept, but parliament in its wisdom might have thought that ministers were wrong. Surely this parliament had the right to know what that proposition was. Though it might have been the worst possible proposition, we were just as much entitled to know its terms as entitled to see what that proposition was as if it were the very best. If this thing can be done the right hon. gentleman and his ministers can decide the whole affairs of this country and only let parliament know what it suits them to let it know. I repeat, Sir, that under no circumstances whatever can the withholding of that paper be justified. It is obvious to every person that the right hon. gentleman was ready to use that paper when it suited the party purposes of the government and that he was ready to conceal it so long as it suited the purposes of the government to have it concealed. Hon. gentlemen on his side of the House could know what were the terms of the proposition that we were debarred from knowing. Does the right hon. gentleman think that is consistent conduct? Surely, if the paper were confidential, it was confidential for all purposes. How could any person with propriety be allowed to know anything of the contents of a confidential paper concealed from this House? We first of all were entitled to a knowledge of it. Will the right hon. gentleman say that nobody knew of it? He says that he submitted it to his cabinet? Was it not communicated to anybody else? Did anybody else know of it? Does the right hon. gentleman mean to say that he took none of his supporters into his confidence, none of the gentlemen from the Northwest Territoiries or any other gentleman, that this was an absolute secret to everybody until he got Mr. Hays's permission to read it to this House? I doubt that the right hon. gentleman will say so.

Sir WILFRID LAURIER. What is that?

Mr. BARKER. I doubt very much that the right hon. gentleman will say that no person on his side of the House, other than his colleagues, was aware of the contents of that paper until it was read in this House? Now, that is all I have to say. I move this resolution with the distinct intimation to hon. gentlemen opposite that it includes every document of every character whatever which relates to this subject matter.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I have no objection whatever to the passage of the resolution, nor would I have objection to make to the speech which the hon. gentleman (Mr. Barker) delivered, were it not for certain expressions, which if they are to be taken seriously, were meant to be offensive. I do not think that I should go that far with the hon. gentleman, for perhaps he did not measure as he might have done, the language made use of by him. Parliament is entitled to all the information in the possession of the government with respect to public matters, but my hon. friend who is a business man will I think agree, that there is a way and a way of doing business. Not only with regard to public business, but even in private intercourse between man and man, it is the privilege of one man to approach another confidentially, to put his proposition either verbally or in writing, and if in writing it is his privilege to ask that it be treated as confidential. I do not think that proposition will be gainsaid by anybody. If it be a part of the amenities of civilized life; in fact, if it be a condition without which civilized intercourse cannot exist, that there should be respect for the confidence of another, then the hon. gentleman will have to revise somewhat the language which he used. The hon. gentleman, in speaking of the document as he called it can, as I am prepared to call it, which was marked 'confidential' by the persons who sent it to me as head of the government, said: Had the government the right to receive such a document, to entertain it, and to keep it for themselves? I say no. If the government had received, and if they had entertained such a paper, even though it be marked confidential, they could not have kept it for themselves. I assert that most distinctly. But, when that government receives a paper which is marked 'confidential,' and when they do not entertain the proposition therein contained, then I think the government would be quite justified in doing even what the hon. gentleman (Mr. Barker) suggested,

that is, to return the document to those from whom it came. I might have returned the document and perhaps I should have returned it, but that idea did not occur to my mind. At any rate if we had returned the document to its authors, then, according to the hon. gentleman, we would not only have been within our rights but within our duty. However, not having entertained the prayer of that document, and not having returned it to the parties who sent it to me, I believe I was quite justified in not filing it upon record in the department. The prayer of the petition was ignored and there was nothing of interest to the public in it after that. At all events I so treated it. Let me ask now : what rule shall be laid down by parliament in a matter of this kind ? Shall the rule be that when a motion is passed by parliament for papers, then, every paper and every letter which may have been sent to a minister, though marked 'confidential' shall be given to the public ? Does the hon. gentleman pretend that parliament is entitled to every letter which a minister may receive, whether it is marked 'confidential' or not ? I do not think the hon. gentleman will go that far. I think he will acknowledge that there must be a certain limit. I repeat that in my judgment, if a paper is marked confidential, and if the prayer of that document is ignored, then under such circumstances it remains a purely private matter, although of course if the proposition in the document be accepted and its prayer granted, then even though marked 'confidential' it becomes a public document. The hon. gentleman (Mr. Barker) made an insinuation which I want to meet here and now. He said that he doubted if this paper had not been submitted to certain supporters of the government. Well, I do not know what he means by that, although I would think the remark rather offensive, but I have to say to the hon. gentleman as I said the other day : that this document has not been shown by me to anybody outside the cabinet ; that document never went out of my hands and never was shown to anybody outside the members of the government.

Mr. R. L. BORDEN. Nor its contents disclosed to anybody outside the government ?

Sir WILFRID LAURIER. Its contents—I am not aware that I ever disclosed them. I will not say that the proposition for the extension of a railway across the continent may not have been discussed by me with some parties, but so far as my recollection goes at this moment, I do not think that I ever spoke to any person in the world, outside of my colleagues in the government, of the proposition which had been made and which was sent to me in the month of November in the year 1902. I may say, though it is of no consequence to the House, that being in poor health at that time I left for the south in the month of November and did not come back until the middle of January, when the negotiations were—I will not say renewed because there had not been any negotiations—but when the new communication was made by the Grand Trunk Pacific, of which the House is aware.

Now, Sir, am I to understand that my hon. friend and his colleagues on the other side, are prepared to contend that when a proposition of any kind is made confidentially to the government, and is not entertained by the government, it is, under such circumstances, a communication which must be made public ? If that be the contention of the hon. gentlemen opposite, I must say that I do not agree with it. The hon. gentleman (Mr. Barker) must not expect that the government could do, must do, or would do what he himself would not do in his own private business. If the hon. gentleman is approached by a party who makes a confidential proposition to him and ask him to treat it as confidential, I have too much respect for his honour to believe that he would divulge that communication and betray that confidence, I am rather inclined to believe that the hon. gentleman would treat it as a sacred secret belonging to the party who approached him. Is it to be expected, in the multitude of business which must engage the attention of the government ; in the multitude of applications which must come daily before the government, there are none which may be asked to be treated confidentially by the party who makes them, but that they must all go into the archives of the government ? Is it to be expected that none of these communications are to be included in the private correspondence of a minister ? I treated this communication as confidential. I did not think that it was a public document ; I believe that it was not a public document when its prayer was not acceded to by the government. But, when hon. gentlemen on the other side of the House stated in the course of this debate, that the Grand Trunk Company first approached the government and offered to build a railway from North Bay to the Pacific ocean for the ordinary subsidy, and when these gentlemen repeated it again, and again, and again, apparently convincing themselves that it was a fact, then, Sir, I thought it was time to ask the parties who made the proposition if they would agree to have the seal of secrecy removed so that the truth as to their proposition might be laid before the House.

Mr. CLARKE. If that document was not produced in deference to the order of the House because it was considered confidential, why was it not considered confidential until the end of the debate ?

Sir WILFRID LAURIER. It was considered a confidential document all through; but before making use of it I asked Mr. Hays if he would remove the seal of secrecy and give me permission to use it.

Mr. CLARKE. Why was that not asked before ?

Sir WILFRID LAURIER. Because it was not the proposition before the House, but when my hon. friend and other hon. gentlemen on the other side of the House stated that the Grand Trunk Pacific Company were prepared to build a line from North Bay to the Pacific ocean for the ordinary subsidies, a statement which was absolutely contrary to the facts, then we asked that the facts should be known and laid before the public. We think the House is entitled to all information which is in the hands of the government. I have no objection to this motion passing, and I shall take good care to have all the corners swept and all the files searched, and to have the clerks use all the brooms they can use to sweep up all the information we can obtain for the hon. gentleman. But does he mean to say that this should include all the private correspondence that may be sent to me or to my colleagues ? Is the proposition to be laid down that private letters, even documents which are marked private, and before the seal of secrecy is removed from them, are to form part of the information to which the House is entitled ? I am not prepared to say so. The hon. gentlemen made use of an expression to which I think I have a right to take exception. He said that I had concealed from the House information to which the House was entitled. I do not agree with him, and I think I have a right to take exception to that expression. I may have been right or I may have been wrong in my judgment. Not only in this instance, but in all instances since I have been at the head of the government, I have regarded it as my duty, whenever a confidential document has been placed in my hands, to keep it confidential until such time as the seal of secrecy has been removed from it. That is the position I take to-day. On this point, let me quote from Todd's Parliamentary Government, as follows :

Considerations of public policy, and a due regard to the interests of the state, occasionally demand, however, that information sought for by members of the legislature should be withheld, at the discretion and upon the general responsibility of ministers. This principle is systematically recognized in all parliamentary transactions; were it otherwise, it would be impossible to carry on the government with safety and honour. Whenever it is declared, by the responsible servants of the Crown, that any information sought for in parliament could not be supplied without inconvenience to the public service, or for other sufficient reasons, the House refrains from insisting upon its production.

This authority, in my opinion, applies to the present case. Ministers receive letters every day which are confidential, though on public matters ; others are private ; others are public without any qualification. They all go on record. Confidential communications, though relating to the public service, do not go on record at once, though they may later on. There may be circumstances in which ministers of the Crown must take the responsibility of saying whether or not documents which are of a public character should or should not be brought down to the House. They have a discretion in that respect ; but I did not claim any such discretion in this case. The hon. gentleman commented, I will not say offensively, but in a manner to suggest something wrong, when he stated that I had not given a candid answer to my hon. friend from Jacques Cartier (Mr. Monk) when last year I told him without any equivocation that all the information had been brought down. I repeat now what I said then. Everything that was on the public files had been brought down ; nothing had been reserved at all. But the hon. gentleman insinuated that I had been equivocating because at that time I had in my possession a confidential document. There was no equivocation on my part at all, because I take the ground that all documents which are confidential, which are not on the files and archives of the government, are in the sole custody of the minister who has received them, and cannot be brought down. Then, Todd goes on to say :

In 1869, ministers agreed to an order for certain papers concerning Fenianism, but finding on close inspection that 'their publication could be attended with no public advantage,' and that 'they contained matter which it is contrary to our public duty as ministers to be parties to laying before the House,' they determined to ask the House to rescind the order, which was done on a division.

On that occasion papers had been ordered, but the ministers found that it would not be to the public advantage to bring down all the papers which were on file, and they asked the House to rescind the order. Todd goes on further to say :

And if the government object to produce any documents, on the ground that they are of a private and confidential description, it is not usual to insist upon their being furnished, except under peculiar and imperative circumstances.

Mr. SPROULE. May I ask the right hon. gentleman if it is not the custom, when parliament is pressing for papers which are supposed to be in the possession of the government, and which have not been presented to parliament, for the government to answer that all documents have been brought down except such as are of a confidential nature. That is the usual answer.

Sir WILFRID LAURIER. I beg the hon. gentleman's pardon—that is not the usual answer. I do not believe that confidential papers are ever intended to be brought down to parliament until they cease to have a confidential character, and become public.

For instance, if we had entertained this very proposition from Messrs. Cox, Hays and Wainwright, that moment it would have been placed among the archives of the government, and might be brought down. But as it was not entertained, it was of a private character.

Mr. CLARKE. On what date did this document lose its confidential character ?

Sir WILFRID LAURIER. It never lost it until Mr. Hays gave permission to publish it. Therefore, I have this to say to my hon. friend, that in this matter I think I have acted not only in perfect good faith but according to parliamentary rules and practices. I have only to say in conclusion, that I do not object to the motion.

Mr. R. L. BORDEN (Halifax). The right hon. gentleman has given us some rather singular and novel ideas regarding the circumstances under which documents may be withheld by the government. In the first place, before dealing with the main question, let me point out that the Minister of Finance introduced this document on the 26th of May in answer to some observations made by my hon. friend from Lanark on the 6th of April. In other words, a period of more than seven weeks elapsed during which he allowed the debate to go on without producing this document, and it was only within three for four hours of the division, and when consequently that document could not be effectively commented on or used in the debate, that the Minister of Finance, with the kind permission of Mr. Hays, decided to bring it down. And my right hon. friend considers that a fair and decent treatment of parliament. I do not think that it requires anything more than a single statement of the facts to give the most absolute and utter condemnation of any such proceeding.

My right hon. friend declares that it is the privilege of any person in this country to approach the government in confidence and that that confidence ought to be respected. That is subject, it seems to me, to some qualifications. I have never heard that it was the privilege of any corporation or any group of promoters to approach the government in confidence for the purpose of tapping the treasury and to have that confidence respected. My right hon. friend's conclusion, if carried to its legitimate result, would lead to some singular consequences. Suppose a bank president was informed by a burglar in confidence that he proposed to break into the bank that evening, according to my right hon. friend's reasoning, the bank president would be bound to respect the confidence of the burglar. Suppose a railway company were to make a confidential communication to the Board of Railway Commissioners in which it pointed out that its rates exceeded those authorized by the commission, but submitted that as the communication was made in confidence, the Board of Railway Commissioners should take no action ; in such a case, according to my right hon. friend, the Railway Commissioners would have their hands tied until the information was disclosed to them in some other way. And suppose the Grand Trunk Railway should make a confidential communication to this government, pointing out that inasmuch as they are not bound by the terms of the contract, they propose to use all their efforts to gather up traffic in the Northwest, bring it by the Grand Trunk Pacific to Quebec, and thence carry it to Portland in the winter months, my right hon. friend would consider himself warranted in treating that as a confidential communication and in not informing the House or the country. I submit that when a proposal is made by a company to build a great public undertaking, when public aid is asked in a very generous measure, and when that proposal is carried out in part, as this was, the government are not in a position to treat it as confidential. I do not think that they would be in a position to treat it as confidential under any circumstances. I think that they were bound to adopt one of two courses. They should either have returned that document to Mr. Hays and said to him: This is a document asking public aid for a public undertaking and the government will not receive confidential communications on a subject of that kind. Or they should have informed Mr. Hays that his proposal would not be considered for one moment until he withdrew the term confidential and left the government at perfect liberty to submit it to parliament.

Mr. McCARTHY. Suppose the document had been returned by the First Minister to Mr. Hays, and suppose that afterwards the First Minister should have said to Mr. Hays: You made a communication to me in confidence which I returned to you, but I would like you to let me use it in order to refute certain allegations which have been made against the government, would not the right hon. gentleman have been warranted in then obtaining the document again and making it public ?

Mr. R. L. BORDEN. My hon. friend has evidently not thought much on the subject or he would not make this interruption.

Mr. McCARTHY. That is not an answer.

Mr. R. L. BORDEN. I will give my hon. friend an answer. If that document had been returned to the Grand Trunk Railway and the negotiations were off, that would then be an end of the matter. But if the negotiations were resumed, they would be resumed on certain documents presented and these documents ought to be submitted to parliament when the measure is discussed. My hon. friend smiles, but there is not an hon. member other than himself who does

not understand and appreciate the point. My right hon. friend says further that this document was properly withheld from parliament because the proposal was not entertained. Well, let us see whether or not the proposal was entertained in whole or in part, and I shall not offer any apology for reading at this stage the whole of this interesting document in order that we may see what the proposal was and whether or not it did form the basis of that measure which has so recently been discussed in this House :

Confidential.

Montreal, Que., Nov. 3rd, 1902.

To the Rt. Hon. Sir Wilfrid Laurier, G.C.M.G., P.C., Premier of the Dominion of Can., Ottawa, Ont.

Sir,—Your petitioners desire to memorialize your government in regard to the construction of a first-class line of railway from the northern terminus of the Grand Trunk Railway, at, or near, North Bay, Ont., through to the Pacific coast, for the reasons and upon the conditions herein set forth.

Let me point out to the right hon. gentleman who says that this proposal has not been entertained, that this is part of the very railway project which we have been discussing during the past two sessions, and that the gentlemen who signed this communication are the promoters of the very company, the charter for which has been passed through this House. Therefore, let me say that this proposal, far from not being entertained, has been entertained to that extent, although something else has been added to it. Then the claimants proceed.

1st. That it is considered very desirable and in the public interests that there should be, without any unnecessary delay, a second transcontinental railway reaching from the Atlantic ocean to the Pacific ocean, in order that additional facilities may be provided for the large growing business in the North-west, which might otherwise find its outlet through American channels.

The same idea and almost the very words in which the right hon. gentleman last year introduced the very measure which we have been discussing in parliament during the past and present sessions. Yet the right hon. gentleman says that no portion of this proposal has been at any time entertained. There is the very proposal he has been putting through parliament and there is the very reason offered in support of it which he has urged upon the House. Yet he says this document was justly withheld from parliament for a year and a half because it was not entertained in any sense or in any part. The document proceeds as follows :

2nd. That your petitioners propose, as soon as authorized by your government, to undertake the construction of such a line from North Bay, Ontario, or some other point north thereof, to be defined, to the Pacific coast, the terminus to be at or near Port Simpson, with all necessary branches along the route, to be designated.

So far as the western division is concerned, with the exception of the line from North Bay to Winnipeg, this is exactly the proposition, with the same terminus, which was brought down by the government and discussed in parliament during last session and this. Yet the right hon. gentleman ventures to say, in the face of that, though the document has been in possession of the government during all this time, that this proposal did not relate in any way to the project we have been considering in parliament for so long a period. The document proceeds :

That your petitioners, therefore, ask that their application for authority to construct such line of railway to be called 'Grand Trunk Pacific Railway' shall be granted.

Well, now, my right hon. friend is in rather a curious position as to that. He says this is a confidential document. Then, what warrant had he to disclose it to his colleagues ? If he had warrant to disclose it to his colleagues, he certainly had warrant under paragraph 3 to disclose it to parliament, for the simple and sufficient reason that parliament was the only body that could give the power asked for in this paragraph :

4th. That your petitioners will be prepared, immediately an agreement is entered into by the government, and the concessions hereinafter mentioned are sanctioned by an Order in Council, to place a corps of engineers in the field, both at the eastern and western ends and at other points on the projected line.

I would like to know, if it was not under the proposal contained in that fourth paragraph, then, how was it, that engineers were put upon certain portions of that proposed line before the Bill of last session became law on the 24th of October ? We find the very scheme carried out that is set forth in that fourth paragraph ? They did not wait for the passing of the Bill to place the surveyors and engineers on the proposed line. They did as they had proposed to the government. The document proceeds :

5th. That the routes to be selected shall be submitted to and approved by the government, after proper surveys have been made.

Again we have the very scheme that has been discussed and considered in parliament during these last two sessions :

6th. That as soon as the plans and routes are approved, work shall be commenced and the road shall be completed and in operation within a period of five years from the time the Act is in force.

The very terms of the contract which was brought down by the government last year. And when my right hon. friend tells us that this document would have been of no assistance to parliament in considering

this measure, ask him whether or not the voluntary proposal of these very gentlemen themselves would have been of assistance to parliament when we were considering, during this very session, the time which should be allowed to this company for building the line in the west ? Five years was their own offer. And it was the term fixed by the original contract as brought down by the government. Yet, in considering the extension to eight years agreed to by the government, after the contract as originally made had been ratified by parliament, my right hon. friend thinks we would not have been assisted in the discussion in parliament by knowing that five years was the very term proposed by the Grand Trunk Pacific Railway Company itself. The document proceeds :

7th. That all the work shall be subject to the inspection and approval of the chief engineer of the government.

Again we have exactly the terms of this contract as brought down by the government last year. And, in the face of this paragraph my right hon. friend says that this proposal has no relation to the contract brought down by the government. The next paragraph is as follows :

8th. That in order to provide for connection with the Atlantic sea-board all the year round and through an all-British territory route, your petitioners will be prepared to enter into an arrangement with the government for an interchange of traffic, or other satisfactory agreement, with the Intercolonial Railway at Montreal, or to consider such other proposal as the government may submit.

It was in respect of that eighth paragraph that the government made the principal change in the proposal of the Grand Trunk Pacific Railway Company. Instead of doing what is here proposed the government build, and lease to the Grand Trunk Pacific, the line from North Bay to Quebec. But, would it not have been well that parliament, when discussing the advisability of building that line, should have had before it, as it was entitled to have, this proposition of the Grand Trunk Pacific ? Surely my right hon. friend will see that that eighth paragraph is itself an alternative proposition which ought, in all fairness—and in all honour, I will say—to have been submitted to parliament before this went through. The document proceeds :

9th. That your petitioners would have the advantage of all the eastern connections, in Ontario and Quebec, of the Grand Trunk Railway, and by this means on the completion of the transcontinental line there would be established and opened up a complete system from ocean to ocean.

That is not a proposal, but only an argument. It is, however, an argument which the right hon. gentleman and members of his government and speakers on that side made the most of in forcing this measure through. The petition then proceeds :

10th. That the conditions referred to in clause 4, upon which your petitioners would undertake the carrying out of the proposed work, may be set forth as follows :—

(a.) That the Dominion government will grant a cash subsidy to your petitioners of $6,400 per mile of railway, and in addition 5,000 acres of land per mile.

(b.) That the payment for the carriage of the mails shall be calculated on the same basis as provided for under the contract made with the Canadian Pacific Railway Company.

(c.) That rails and materials of every kind used in the construction of the railway—if dutiable—shall be admitted free, if such material cannot be obtained in Canada upon equally favourable terms.

(d.) That the Grand Trunk Pacific Railway and all stations and station grounds, work shops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the company, shall be for ever free from taxation by the Dominion or by any province hereafter to be established or by any municipal corporation therein ; and the lands of the company in the Northwest Territories (until they are either sold or occupied) shall also be free from such taxation, for twenty years after the grant thereof from the Crown.

Your petitioners ask that your government will give the prayer of this petition their early and most earnest consideration.

And your petitioners will ever pray.

On behalf of the petitioners,

GEO. A. COX,
CHAS. M. HAYS,
WM. WAINWRIGHT.

Now, my right hon. friend says that the return ordered by this motion of my hon. friend from Hamilton (Mr. Barker) will include everything in possession of the government. I believe it should include proposals, if there are any such proposals, from any other promoters, or any other body of men desirous of undertaking the contract for the building of this railroad. I do not know whether there were any such proposals ; I have no information whether any such proposals have been made ; but I think that if there are any, whether marked confidential or not, the government ought to bring them down and place them before parliament. But perhaps I should qualify that by saying, in the first place, that the government should not receive such proposals as confidential. If they have received any in that way they should ask the consent of the persons who made the proposals to bring them down. And, if these persons do not consent to the bringing down of these documents, I have only to recite the authority of my right hon. friend himself as to the course which should be followed. He told us last year in speaking on the Alaskan Boundary question, that he would ask the authority of the British government to bring down a series of con-

fidential communications, but, if the consent of the imperial government was not obtained, that he would bring them down without such consent. And, I suppose that in a matter involving the public funds of this country, a matter which the government should not have allowed to be made confidential in the first instance, my right hon. friend might very fairly follow the precedent established by himself and take the course which he said he would take in bringing down such documents whether their consent was obtained or not.

My right hon. friend referred to the familiar doctrine in Todd's Parliamentary Practice—that there are certain confidential communications as to which parliament is not entitled, at the moment at least, and may never be entitled, to have information. For example, negotiations with a foreign government; matters affecting the defence of the country; information afforded to officers of the government of breach of the Customs Law;—matters of that kind are kept from parliament in the public interest for the reason that, if parliament could claim at any moment to be seized of any information of that kind it would be impossible to carry on the government of the country.

But such considerations do not apply to the application of a body of promoters to the government of this country for public aid to a public undertaking. They have no relevancy to such a subject. A demand for assistance from the treasury of this country cannot be confidential. If this application was made to the government to assist the Grand Trunk Pacific out of the private moneys of the members of the government that is one thing; but that is not the application as I understand it. The application is made for assistance to this undertaking out of the public moneys of the people of this country and the people of this country are entitled to know all applications of that kind and the government should not receive such communications as confidential.

Now my right hon. friend ought to be reminded of another circumstance in connection with this matter, and it is this: We did not understand some of the allusions which were made to this document last year. We have had the repeated declarations of this government—which I will not review again as I have already reviewed them—we have had the repeated declarations of this government during the past session and during the present session, that everything relating to this question was before the House. We made these demands upon the government in consequence of certain utterances of two ministers of the Crown last year. One of those utterances was made by Mr. Blair, not at that time a minister of the Crown, because before making this speech in parliament he had resigned his position as Minister of Railways and Canals. But in the 'Hansard' of 1903, at page 8416, Mr. Blair felt himself at liberty to make the statement which I will now read to the House from his speech:

> The thing was never mooted before, and the government took no action, until the Grand Trunk Railway Company conceived that it would be in their own interest to have the railway project liberally aided by the parliament of Canada, which they desired to promote. That is the secret of the whole business, that is where it originated.

I call my right hon. friend's attention to the statement of his ex-Minister of Railways and Canals that a proposal to the government was the origin of the project which the government brought down; and when he says that this document was not germane to the discussion which we have had, he is in direct conflict with that statement of his ex-minister, who says: That proposal is the secret of the whole business; that is where it originated. There cannot be any doubt of the correctness of Mr. Blair's statement, because I have pointed out the striking similarity between the project for the construction of the western division and the proposal made by the Grand Trunk Pacific to the government. The two things speak for themselves. I need not emphasize the fact, I need not elaborate it. The line from North Bay to Moncton was an addition made by the government and except for that addition the original proposal remained and was carried out by the government almost exactly as it was proposed to the government by the Grand Trunk Pacific Company, with the exception of course of the aid to the railway which was given in another form and was of a modified character. But Mr. Blair proceeds as follows in the quotation that I am reading:

> All the other considerations fell upon unheeding ears. All these dangers never struck our minds, never seemed to have entered into our calculations; it never occurred to us that we were under such imminent peril; it never was suggested by any one that the great future of Canada, the very life of Canada, was at stake, until the Grand Trunk Railway Company made a call and laid their proposition before my hon. friends and colleagues of the government.

That is Mr. Blair's statement of the position. But we have another statement from a gentleman who is still a member of the government, the Minister of the Interior (Mr. Sifton) who, in the 'Hansard' of 1903, page 8664, is reported as follows:

> We had in the beginning one proposition, and to that proposition there was an alternative. The suggestion was made that we should assist the construction of a line from the end of the North Bay branch of the Grand Trunk Railway northward and around to the city of Winnipeg, and further westward to Fort William.

What was the Minister of the Interior speaking of, if not this proposal which

was read to the House on the 26th of May, and what is the alternative proposal which is referred to by the Minister of the Interior in that quotation? He speaks not only of this proposition, but of some alternative proposition that has not yet been laid before the House. Will the right hon. gentleman bring down that alternative proposition, or does he venture to say that no such alternative proposal was ever made? Why is it, when a minister of the Crown has made this reference to a public document, that that document was withheld—I was going to use the word concealed—from this parliament? My right hon. friend has referred to auhorities. Let me refer him to the authority of Bourinot's Parliamentary Procedure, edited by the learend Clerk of this House, at page 366, where this principle is laid down—and let me say that this principle relates even to documents which are truly confidential. The principle is this:

If a minister cites any such document in the House, it becomes a public paper and should be produced.

Well, did not my hon. friend the Minister of the Interior in effect cite that document when he referred to that proposal, and did not the ex-minister of the Crown cite that document and refer to it still more distinctly? Let me point out further, on an authority which I think will be regarded by every hon. gentleman in this House, the practice of the English parliament, under which such a reference, made even by an ex-minister of the Crown, renders it necessary, as I understand the practice, that the document should be laid before the House. In the case of the Cagliari, which is referred to in volume 149 of the English 'Hansard,' at pages 177 and 178, a certain matter had been under consideration of a previous government, and the Chancellor of the Exchequer, in dealing with the question, pointed out that the government of which he was a member had taken it for granted that their predecessors had arrived at a certain conclusion which rendered action on the part of the incoming government absolutely unnecessary. Then speaking further on the question he said this:

But when the discussion took place on Friday night, the noble Lord, the member for Tiverton (Viscount Palmerston) rose and stated, in a manner most unexpected by us, that the late government were considering again the case of the Cagliari previous to their retirement from office.

Then he goes on to say that an examination of the documents does not seem to him to justify that. But he continues as follows:

We shall act without fear or favour, whether we may deem it our duty to recognize the jurisdiction of a sovereign, or to vindicate the rights of our fellow subjects. We have given directions that all the papers connected with the management of the Cagliari case by our predecessors should be prepared and laid with all reasonable despatch before parliament. They are more voluminous than the House perhaps imagines; but no unnecessary delay will take place in their production.

I may say that is one of the authorities Sir John Bourinot cited by for the principle that when a document is cited in this House by a minister of the Crown it becomes at once a public paper and should be produced. As I have already said, he is dealing there, not with documents of this character, which cannot be really confidential, but he is dealing with documents which are truly and in the accepted sense confidential documents, and which otherwise ought not to be produced to parliament.

But, let me refer my right hon. friend to another aspect of this question upon which I certainly think that some explanation is needed. My hon. friend from Hamilton (Mr. Barker) on the 30th of May, put this question to the government:

Mr. BARKER asked:

To what persons, on what dates, and under what circumstances, was the application of George A. Cox, Charles M. Hayes, and William Wainwright, read to the House by the Honourable the Finance Minister, on the morning of the 27th May, 1904, communicated wholly or in part previous to the same being so read to the House?

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). The application of Messrs. Cox, Hays and Wainwright, which was read on May 27, by the Minister of Finance, was communicated to the cabinet and to nobody else. As to the date, it is impossible to say at what date, but it was shortly after it had been received.

Now, some rather striking utterances were made by a certain very prominent gentleman on the other side of the House during the last session, which I think call for some explanation in connection with that statement of the right hon. gentleman. I refer to the utterances, among others, of the hon. member for North Norfolk (Mr. Charlton), whose absence we all regret from the House during the present session. That hon. gentleman took a very important part in the debate. He was put up by the government to reply to the Hon. Mr. Blair, ex-Minister of Railways and Canals, on the occasion when that gentleman made a most noteworthy speech in this House, in which he condemned unsparingly the policy of his colleagues in committing themselves and the country to this project. Therefore, the words of the hon. member for North Norfolk bore a certain semi-official import. He was referred to by the right hon. gentleman in terms of the highest commendation as the greatest authority on transportation in Canada, or in language to that effect. This hon. gentleman, speaking for the government in that regard, used this language, which is to be found at page 8493 of 'Hansard) of 1903:

The government proceeded to consider several propositions. They considered a proposition of building a government road, considered it carefully, as I am well aware, and rejected that proposition.

They considered several propositions ! We know what the proposition to build a government road means, and we know the proposition which the government eventually brought down to this House. But what are the other propositions, one of which has been referred to, not only by the hon. member for North Norfolk, but by the hon. Minister of the Interior (Mr. Sifton) himself ? But the hon. member for North Norfolk made a further reference to this matter, which is to be found in 'Hansard' of 1903, page 8495 :

We were at the parting of the ways. We had, on the one hand, the policy recommended of building a government road. On the other hand, we had the policy recommended of assisting the construction of a road in the old fashioned way of granting subsidies.

Now, what was that 'policy recommended of building a government road?' Was that the policy propounded by Mr. Blair in the memorandum, about the publication of which so much has been said in this House ? Can it mean anything else ? Does it mean anything else ? Is it possible that the proposition of Mr. Blair, said to have been kept secret, was disclosed to Mr. Charlton last year ? Can there be any denial of that ? Will my right hon. friend deny it now ?

Sir WILFRID LAURIER. Yes, most decidedly.

Mr. R. L. BORDEN. Well, I would like to ask my right hon. friend how the hon. member for North Norfolk became aware of the policy of building a government road, to which he refers in making these remarks?

Sir WILFRID LAURIER. I have only to say that I cannot answer for what my hon friend from North Norfolk (Mr. Charlton) said, but when the hon. gentleman (Mr. R. L. Borden) asks me if my hon. friend from North Norfolk had any communication of the memorandum of Mr. Blair, I submit most emphatically that he never had.

Mr. R. L. BORDEN. I accept without hesitation the word of my right hon. friend. I accept it in the usual sense, not in the parliamentary sense, but I still think that my right hon. friend will not deny that I am entitled to entertain a strong opinion as to that most extraordinary statement made by the hon. member for North Norfolk. If no member of the cabinet disclosed that proposed policy to him, how could it possibly happen that he became so well aware of the policy which had been before the government ? How was it possible for him to be aware of what the government was considering ? Let me read his language again :

The government proceeded to consider several propositions.

How does he know that the government proceeded to consider several propositions ? Was he a member of the Privy Council ? I am not aware that the hon. gentleman has been ever elevated to that rank, or that he has participated in the deliberations of the government. He says :

They considered a proposition of building a government road, considered it carefully, as I am well aware, and rejected that proposition.

How did the hon. member for North Norfolk become well aware of what the government had considered carefully ? The government would not consider anything carefully unless they considered it in Council, I suppose. That hon. gentleman, I am bound to assume from the statement of my right hon. friend, had no information as to what was going on at the Privy Council. Are we to assume that he was listening at the door ? What are we to assume as to the source of his information ? My right hon. friend sat in the House and listened to that statement and made no comment upon it. Did he regard it as singular that the hon. member for North Norfolk should have made that statement as to the private and secret deliberations of the government in Council ? Did he go to him afterwards and ask the source of his information ? Was there any indignation on that occasion exhibited by my right hon. friend or the members of his government ? I do not recollect that there was any scene in the House when the hon. gentleman did make that statement.

We had, on the one hand, the policy recommended of building a government road.

The policy recommended ! Recommended by whom ? Could it be possible that that hon. gentleman was talking of the recommendation of the Minister of Railways and Canals, which was submitted to Council ? One would most certainly interpret his language in that way, if we had not the assurance of my right hon. friend that no such communication was made to the hon. member for North Norfolk.

But a still more startling statement is made in regard to this matter by the same hon. gentleman, and I would like my right hon. friend to take clause 10 of the proposals of the Grand Trunk Pacific Railway Company and read it while I am reading what the hon. member for North Norfolk said in regard to the proposals which had been submitted to the government. In order to relieve my right hon. friend from the necessity of doing that, perhaps I had better read clause 10 again, Clause 10 of the proposal is as follows :

10th. That the conditions referred to in clause 4, upon which your petitioners would undertake the carrying out of the proposed work, may be set forth as follows:

(a.) That the Dominion government will grant a cash subsidy to your petitioners of $6,400 per mile of railway, and in addition 5,000 acres of land per mile.

That is the proposal of the Grand Trunk Pacific Railway Company, the proposal of that company made on the 3rd of November, 1902, and here is the language of the hon. member for North Norfolk as reported in 'Hansard' of the past session at page 8493 :

The government proceeded next to consider a proposition for the construction of the road in the old fashioned way, that of granting subsidies. There was a proposition to build a road from North Bay to the west, which involved a land grant of 5,000 acres per mile and a money grant of $6,400 per mile.

Of course I am bound to assume that this is absolutely a coincidence, but is it not a most startling coincidence ? I cannot quite understand it. The hon. member (Mr. Charlton) proceeded as follows :—

Well, the government have never adopted the system of making land grants to railways, and wisely concluded that this was not a good time to begin it, so that proposition was dropped. Then a compromise proposition was accepted, viz., the construction of a road over which the government should have supervision.

This seems to me hardly to need comment. I must confess that when the member for North Norfolk arose in this House and stated the exact terms of a confidential communication to the government, I would have expected that my right hon. friend would have exhibited some of the indignation we have witnessed on other occasions, and that he would have demanded from the member for North Norfolk how it was, that he became possessed of this confidential document. But on the contrary, the Prime Minister rose in his place and spoke in the most flattering terms of the hon. member (Mr. Charlton), describing him as the greatest authority on transportation in Canada. I do not know whether or not he is the greatest authority on transportation in Canada, but he certainly is entitled to credit for his extraordinary ability in correctly stating the contents of this confidential document which had never been communicated to him. We know that that document was never shown to him ; we know that its terms were never communicated to him by any member of the government, because we have the word of the Prime Minister that it never was communicated to the member for North Norfolk or to anybody else ; yet the extraordinary spectacle is afforded to parliament of the hon. member (Mr. Charlton), repeating word for word and line for line with literal and exact accuracy, the exact proposal made for aid by the Grand Trunk Pacific Company to this government. It would appear that we should have some further explanation from the government on this subject.

But that is not all; there is more to come. By the lamented death of Mr. McCreary, we are deprived of certain information which might have thrown light upon this subject. The late Mr. McCreary also seemed to have had a very shrewd and accurate idea on this subject, because speaking in this House on the 29th of April, 1904, he said :

The hon. gentleman (Mr. Barker) is quite mistaken in some of his premises, and I think in future discussions he should correct them. He has no license to say that the Grand Trunk has not demanded as much for the construction of the line from North Bay to Winnipeg as they are now demanding for the construction of the line through the mountains. Had the government acceded to the wishes of the Grand Trunk Railway we would have had a very much worse bargain than we have, the present arrangement secures a shorter railway, better built, and with better gradients.

Mr. CLARKE. The position of the hon. gentleman now seems to be simply that he is trying to excuse the government and to apologize for the enormous subsidies they are giving the Grand Trunk, by making the assertion, without any justification whatever, that the Grand Trunk would not have proceeded to carry out their original intention unless this government built the road from North Bay to Winnipeg and guaranteed three-quarters of the sum required to build the prairie section and the mountain section. What justification has the hon. gentleman for saying this ?

Mr. McCREARY. I have the justification that they asked that very assistance.

Mr. CLARKE. From whom ? Unfortunately the facts are against the hon. gentleman.

Mr. McCREARY. Not at all.

We therefore see that Mr. McCreary had a very good idea of the contents of this document which has been at last submitted to this House. Further than that, if we can judge from his remarks, he seems to have had an inkling that some member of the government would during the closing hours of the debate, when it was impossible to discuss it, spring this document upon the House. It seems to me that some further light is required as to the extraordinary amount of information possessed by Mr. Charlton and by the late Mr. McCreary as to the contents of this confidential document. By what means did these hon. gentlemen obtain that information; they were private members of the House, and were entitled to no more information on this subject than any other hon. gentleman ; by what means were these hon. gentlemen able to use in debate information which never was laid before this House until it was read recently by the Minister of Finance.

Right Hon. Sir WILFRID LAURIER (Prime Minister). I have only one word to say. I have no time to read the extracts which the hon. gentleman has just given to the House, but I may say that there are more ways than one of getting information. I say to the hon. gentleman again, that the document which was placed in my hands by Mr. Hays, in November, 1902, never was

shown to anybody outside of the cabinet. If anybody got knowledge of it, the means by which he got knowledge of it, is one of those secrets as to which I have no information to give; but we know from past experience that such a thing sometimes happens.

Mr. T. S. SPROULE (East Grey). The usual course is that when a motion is made by parliament for papers, the minister states that such papers will be brought down as is not confidential. When that statement is made by a minister of the Crown, parliament usually accepts it as sufficient and refrains from prosecuting the inquiry further. That was not done in the present instance by the government. If I understood the Prime Minister correctly, he contends that when a minister of the Crown states that he brought down all information, the statement only implies such information as is not confidential. I do not think that parliament should be asked to assume any such thing. Todd's parliamentary government says:

It is imperative that parliament shall be duly informed of everything that may be necessary to explain the policy and proceedings of government in any part of the empire, and the fullest information is communicated by government to both Houses from time to time, upon matters of public concern.

This certainly was a matter of public concern, for it is in parliament that authoritative statements are made. Then he goes on to say:

Whenever it is declared by the responsible servants of the Crown that any information sought for in parliament could not be supplied without inconvenience to the public service, or for other sufficient reasons, the House refrains from insisting upon its production.

But if such documents are in existence, and the government do not desire to bring them down, it is as I understand their duty to say to parliament: We have brought down all documents pretaining to this subject unless those of a confidential character; and when that statement is made, nothing more is said. Todd goes on to say:

And if the government object to produce any documents, on the ground that they are of a private and confidential description, it is not usual to insist upon their being furnished.

That is where I think the right hon. the premier failed in doing his duty, in not mentioning that there were other documents, but that owing to their being of a confidential character, he did not regard it in the public interest to bring them down. Todd goes on further to say:

It must always be remembered that all public transactions of state are necessarily official——

This being a transaction of state, the document must necessarily be official, and ought to be communicated to parliament.

—and that no public officer would be justified in withholding from official record and access, any document, emanating from himself.

Now, there must have been an answer to that document—from whom? From the premier. On what? On a question which has engaged the attention of this House during two sessions. According to Todd's interpretation of parliamentary government, that was an official answer, and therefore ought to have been given to parliament. We have no information in regard to that.

Sir WILFRID LAURIER. I may say to my hon. friend at once that there never was any written answer, either confidential or official, to that document.

Mr. SPROULE. Of course, that is a sufficient answer. I want to refer to another statement made by the premier which I think deserves some passing attention. In answer to the question why this document was read at all, he replied that it was read because of the repeated contention that the Grand Trunk Pacific Company would have built their line from North Bay to the Pacific ocean without asking for any aid, had they been allowed to do it under the charter which they desired to get from parliament. Why, that contention was put forward time after time in the last session of parliament as well as in this session, and why was the document not then given to parliament as an answer? Why was it delayed to the last moment, until the debate was practically closed? It certainly could not have been because of its confidential character. If the government were compelled to give it in order to defend themselves and to refute that argument, they would have given it at the commencement of this debate rather than at the end.

Motion agreed to.

PROHIBITION OF CIGARETTES.

The following resolution, moved by Mr. Wm. S. Maclaren (Huntingdon) and adopted in Committee of the Whole, was read the second time, and agreed to, on division:

That it is expedient to bring in a Bill to prohibit the importation, manufacture and sale of cigarettes.

COMPANIES' ACT AMENDMENT.

Bill (No. 75) to amend the Companies Act, 1902, (Mr. Cowan) read the second time and House went into committee thereon.

On section 1,

1. Section 5 of the Companies Act, 1902, is amended by adding thereto the following subsection:—

'3. Nothing in this section, or in any charter or letters patent heretofore or hereafter issued, shall be deemed to prevent any company to which this Act applies from acting as a contractor in railway, telegraph or telephone construction.'

Mr. R. L. BORDEN. I would like the hon. gentleman to explain the reason for this legislation. Is it based on any similar legislation in Great Britain? Does it follow any precedent? If not, what is the exact reason for it? How would it operate with reference to existing companies? I suppose it is not intended to be retroactive. Is it intended to enlarge the powers of existing companies? I have not considered the question at all, but I would like to have the hon. gentleman's views.

Mr. COWAN. I do not think it would. Section 5 of the Companies Act is peculiarly worded, and it is very doubtful whether or not under that section a company could act as a contractor in railway, telegraph or telephone construction. It was never intended that they should not, and it was only for the purpose of clearing up an ambiguity in the Act that this section is proposed.

Mr. R. L. BORDEN. Has the hon. gentleman the section it is proposed to amend?

Mr. COWAN. I have sent for the statutes. I did not expect this Bill to be reached.

Mr. FITZPATRICK. This clause is only intended to remove doubts which have arisen because of the construction which might be put on section 5 of the Companies Act. That section provides for the incorporation by letters patent of companies for any purposes or objects to which the legislative authority of parliament extends except—and these are the important words—'except the construction and working of railways or of telephones or telegraph lines or the business of banking.' It is possible that this exception might be so construed so as to make it applicable to companies incorporated for the purpose of constructing railways, and it is to eliminate that doubt that my hon. friend has introduced this amendment.

Mr. R. L. BORDEN. Has my hon. friend's attention been directed to the somewhat peculiar wording of this amendment:

Nothing in this section, or in any charter or letters patent heretofore or hereafter issued, can be deemed to prevent any company to which this Act applies, from acting as a contractor in railway, telegraph or telephone construction.

There might be a construction of this section which we do not contemplate at this moment. It is possible that it might give a company, incorporated for an entirely different purpose, the power to contract for the construction of railways.

Mr. SPROULE.

Mr. FITZPATRICK. I am not quite sure that the phraseology of this section is quite happy, and perhaps it might be improved. At the same time, I do not think that the possible construction which my hon. friend the leader of the opposition put upon it necessarily follows. We might let it stand.

Section allowed to stand.

On section 2,

2. Section 40 of the said Act is amended by adding thereto the following subsection:—

'2. Whenever the par value of existing shares is less than one hundred dollars each the directors may, at any time, make a by-law consolidating them into shares of a larger amount; provided, however, that no such consolidated share shall exceed the par value of one hundred dollars.

Mr. COWAN. Under the Act you can by by-law reduce shares of $100 down to $25, but there is no provision for grouping together shares of a lesser amount than $100 so as to bring them up to the par value of $100. There are some companies, whose shares are $25 each, which find it more convenient to group four together into one share at $100, and this Bill proposes to give such companies the right to do that by by-law.

Mr. R. L. BORDEN. As I understand the hon. gentleman, if you have a thousand shares of $50 each, you may consolidate them into 500 shares of $100 each.

Mr. COWAN. Under the present law, you can reduce from $100 to $25, but you cannot raise from $25 to $100.

Progress reported.

CRIMINAL CODE AMENDMENT.

Bill (No. 86) to amend the Criminal Code, 1892, respecting the punishment of fraudulent debtors.—(Mr. Bickerdike)—was read the second time and House went into Committee thereon.

On section 1,

1. Section 368 of The Criminal Code, 1892, is amended by adding the following after paragraph (b) thereof:—

'(c) who, being a trader and indebted to an amount exceeding one thousand dollars, is unable to pay his creditors in full, and has not, for five years next before such inability, kept such books of account as, according to the usual course of any trade or business in which he may have been engaged, are necessary to exhibit or explain his transactions, unless he be able to account for his losses to the satisfaction of the court or judge and to show that the absence of such books was not intended to defraud his creditors.'

Hon. CHARLES FITZPATRICK (Minister of Justice). It seems to me the promoter of this Bill should explain the object he has in view.

Mr. BICKERDIKE. The object is simply to provide that the man in business who

becomes insolvent must be able to show, by books kept previous to his insolvency, that the money has been lost. A law similar to this is in force in many countries and has been found to work very well, more especially, perhaps, in Scotland and France. All the chambers of commerce and boards of trade in Canada have passed resolutions asking the House to give effect to this Bill. We do not wish to tell a man how he shall carry on his business or what books he shall keep ; but when he fails, if he does fail, he must be able to show where the money has gone.

Mr. LANCASTER. To begin with, I am afraid there is an objection at the very outset to the form in which this Bill is drawn. It is not clear to whom it applies. For instance, I, for my part do not know what a 'trader' is as designated by the Bill. I do not know what interpretation the courts of the different provinces would put upon the word. In the province of Ontario in different statutes dealing more or less with the question of insolvency the word 'trader' is differently interpreted. Under some statutes a farmer might be a trader, while under others he would not be. I am satisfied that the same construction would not be given to this word in the Northwest Territories or in Quebec as would be given to it in Ontario and by juries of indifferent counties. My first suggestion to the hon. gentleman (Mr. Bickerdike) therefore, would be that he should define this term. Otherwise, the interpretation of the statute will cause a great deal of trouble in the courts. Secondly, even assuming that the principle is quite fair, I do not see why there should be this limitation of five years. The object, I suppose is to prevent a man from hiding his assets—failing with a full pocket ?

Mr. BICKERDIKE. Yes.

Mr. LANCASTER. If that is what the hon. gentleman (Mr. Bickerdike) contemplates, it seems to me the principle should apply without this limitation of five years. I do not see why, merely because a man keeps books for five years before his failure, and has really defrauded his creditors before that but has succeeded in postponing his actual insolvency, he should be better treated than the man who had not kept books. I do not see why, because he has kept books for five years, the judge is to be denied jurisdiction to ascertain whether his business was conducted with the intent of defrauding his creditors. I do not know that I should say more at this time. But I would like to have a statement from the hon. gentleman of what is meant in the Bill by the word 'trader.'

Mr. BICKERDIKE. I understand by the term 'trader' just what the Bill says, a man indebted to an amount exceeding $1,000.

Mr. LANCASTER. Will that apply to a lawyer, a doctor or a farmer ? I would like to know whom the hon. gentleman thinks this applies to. Does he think that under that term 'trader,' if a lawyer, or a doctor, or a farmer were indebted to an amount exceeding $1,000 this Act would apply to them?

Mr. BICKERDIKE. I should think so, although I am not very well posted in these matters. But I think that any one who is buying goods from another person and owes him $1,000 would come under the provisions of this Act.

Mr. LANCASTER. In my opinion, the hon. gentleman will get no judge in Ontario to decide that a man is a trader in law merely because he sells somebody else $1,000 worth of property. If he wants to reach such a man, he had better amend his Bill.

Mr. FITZPATRICK. Can the hon. gentleman tell me where, in the statutes of Ontario, outside the Abandonment of Property Act, a trader is defined ? I only know of one definition.

Mr. LANCASTER. Yes, there is an Act respecting absconding debtors, and there is a special provision in regard to the Ontario Judicature Act which brings in all these terms. If I had half an hour in the library I could produce a good many Ontario statutes to that effect.

At six o'clock, House took recess.

After Recess.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill (No. 82) respecting the Essex Terminal Railway Company.—Mr. Cowan.

Bill (No. 34) respecting the Grand Trunk Pacific Railway Company.—Mr. McCarthy.

SECOND READING.

Bill (No. 122) respecting the Ottawa Fire Insurance Company.—Mr. Rosamond.

CRIMINAL CODE AMENDMENT.

House in committee on Bill (No. 86) to amend the Criminal Code, 1892, respecting the punishment of fraudulent debtors.—Mr. Bickerdike.

On section 1,

Mr. LANCASTER. I want a better understanding of this Bill. At six o'clock I was saying that I could find in it no definition of the word 'trader.' If the provisions of this Bill are wise, it should apply to every person who might be included in the idea or term of 'trader,' which, as I said, might differ in different provinces. We have not had much time to consider the Bill, and I would suggest that the committee should rise, so that we may have an opportunity to get the Bill into such shape as that per-

haps further discussion may be unnecessary. Since six o'clock I have looked into it, but I am not yet prepared to draft a clause which would meet the case. If we are dealing with the subject we should make it applicable, not only to traders, but to any other one who is guilty of the fraud. There is no definition of 'trader' in the Criminal Code.

Mr. FITZPATRICK. Nor anywhere else.

Mr. LANCASTER. In administering the Criminal Code everything must be held to be in favour of the accused, and a much stricter construction might possibly be put on the word 'trader' in a criminal case than in a civil case. If we mean that everybody dealing with another person who becomes a debtor should be subject to this clause we ought to say so, and not limit it to a 'trader.' I do not entirely disagree with the principle of the measure, but I want to help to make it sensible. The word 'trader' will not include every fraudulent debtor. The professional man is not a 'trader'; the courts of Ontario have held that a farmer is not a trader unless he is indicated in a special statute as such. Why should the professional classes be allowed to go scot-free, if they perpetuate fraud, and why should a special class of the community be punished? We have no criminal definition of the word 'trader.'

Mr. FITZPATRICK. Nor civil either.

Mr. LANCASTER. It is the criminal aspect that we are dealing with here. Suppose you prove that a man has done acts in contravention of this section, you would have to prove that he is a trader before punishing him, and there might be some difficulty in that, the jury would take its own view.

Mr. FITZPATRICK. I am not in any way responsible for the drafting of this Bill, but I cannot understand the nature of my hon. friend's trouble about the word 'trader.' It is not an unusual word; it is used in the Insolvency Act and in the Abandonment of Property Act, Ontario, and no one has ever attempted to define it. It is a term which has received judicial construction; it was construed as far back as 1832 in the Meiklejohn case, and I do not know that the difficulty which my hon. friend has suggested has ever occurred to any one before. The Insolvency Act of 1864 says that the Act shall apply to traders only, and the same words are in the Abandonment of Property Act, Ontario.

Mr. R. L. BORDEN. I thought it was defined in the English Bankruptcy Act.

Mr. FITZPATRICK. I do not know, but I have our own legislation here, and it is not defined.

Mr. LANCASTER. Was it not defined in the old Insolvency Act?

Mr. LANCASTER.

Mr FITZPATRICK No.

Mr. LANCASTER. I was only a student when that Act went out of operation, but I remember we used to have a lot of discussion as to what was a trader, and I think it was defined.

Mr. FITZPATRICK. My experience is that it is rather a doubtful expedient to define words unnecessarily in legislation.

Mr. LANCASTER. This is criminal legislation.

Mr. FITZPATRICK. In criminal legislation or any other. I have practised for twenty odd years as Crown prosecutor and defender of criminals, and it has not been my experience that the code defines very particularly the class of offences to which it applies. My experience is that it is better to allow elastic terms to be used, and have the courts construe them.

Mr. LANCASTER. As this clause stands we would exclude from its operation many a man who would perpetrate just as great a fraud as the trader who would be punished.

Mr. FITZPATRICK. That would be adopting imprisonment for debt which has disappeared from our land and which I do not wish to see revived. This legislation is intended to be applied to a special class known as traders, and there are reasons why it should be applied to that class. It is part of their calling to get credit; credit is the essence of their business. They carry on their business largely because of the credit they are able to obtain. The object of this legislation as promoted by the boards of trade, in our province at all events, is to provide that those who are obliged to trade with the men who trade upon credit, or do trade with them should be in a position to ascertain whether they deal honestly with that which they get upon their credit. That is the object and it seems to me it is a most desirable object.

Mr. LANCASTER. I quite concur that we should hesitate before we pass any legislation which creates imprisonment for debt, but that is what is here being done with certain people of the country but not with all people. The hon. gentleman says they obtain credit by making representations. Every man whether a trader or not, obtains credit before he becomes in debt and does so more or less by his standing in the community, and by the representations he made before getting into debt on his credit. The objection I have to the Bill is that it seeks to impose imprisonment for debt on certain classes of the community without defining those classes with a certain definition of traders, and at the same time to allow other people equally guilty to go scot-free. The effect of the Bill is to provide

imprisonment for debt and nothing else for the men whom we are trying to reach by the Bill.

Mr. R. L. BORDEN. I thought my hon. friend the Minister of Justice was not right as to the exact provisions of the Insolvency Act of 1875. My recollection was directly the opposite of his. On looking at the statute I find that he is not accurate. It is defined there and defined very elaborately :

> This Act shall apply to traders. The following persons and partnerships or companies exercising like trades, callings or employments——

And then it goes on with an enumeration of about thirty different trades or occupations and provides that the persons exercising the same shall be held to be traders within the meaning of the Act. The same is true of the English Bankruptcy Act and there is a large number of statutes in Great Britain as my hon. friend will see by reference to the text books in which the word 'trader' is defined by statute. My hon. friend the Minister of Justice says he understands what the meaning of the word 'trader' is. I do not for one moment deny that. He is speaking more particularly of his own province, I suppose. For my own part and speaking for the province of Nova Scotia, I may say that there might be a great deal of doubt as to the meaning of this word in a statute of this kind. It was found necessary in previous legislation to define the word.

Mr. FITZPATRICK. Not in the Act of 1864. I think my hon. friend, if he looks at that will see that it is not illuminative but enumerative.

Mr. R. L. BORDEN. I do not know whether it is illuminative or enumerative, but at all events it does this : It says the Act shall apply to traders and then gives a long list of persons who shall come within that definition. If there is any distinction between a definition of that kind and an enumeration, then it would be very useful to provide some similar enumeration in this statute because I do not know exactly what is meant by the term. For example ; Would the Minister of Justice say that a farmer is included in the word 'trader ?' He would say he is not.

Mr. FITZPATRICK. It has been so decided time and again.

Mr. R. L. BORDEN. Suppose you have a farmer who does not confine himself to selling his own produce but who goes to market after buying produce from his neighbour. Would my hon. friend say that he would be a trader ? Perhaps there might be no difference of opinion in the province of Quebec but these are laws that will apply to all provinces of the Dominion.

Mr. FITZPATRICK. These points come up every day and they have been decided time and again.

Mr. R. L. BORDEN. If the Minister of Justice will show us that this has all been decided there is no need of further discussion. It has not been decided in my own province and this Act applies to the whole Dominion. My hon. friend from Lincoln says it would be desirable, for the purpose of removing doubt, to define exactly what the word 'trader' means. I think it would be desirable to define it for very obvious reasons, for the same reasons which have induced the legislature of Great Britain to define it. For example, in the English Statutes of 1869, I find there is a definition also. I have not the statute under my hand but in the English Bankruptcy Act of 1869, the word 'trader' was defined as well as in our statutes of 1875. The word 'trader' may have been given a more extended meaning by these definitions than it otherwise would bear under a definition of the courts. It is, however, equally important here to have the meaning of the word made certain, and I do not know exactly what my hon. friend the member who introduced the Bill (Mr. Bickerdike) intends by the word 'trader.' I think it desirable to include in this Act a definition just as in the Insolvency Act of 1875, it was found necessary to give a definition of the word which went further than any decided case, up to that time. It is only for the purpose of making the statute clear that my hon. friend from Lincoln and Niagara (Mr. Lancaster) has made that suggestion and it is for the same reason that I am supporting him. But apart from this the principle of the Bill is somewhat important. I do not know that the Minister of Justice has come to any conclusion as to that. If we once arrive at the conclusion that the principle of the Bill is right and should be extended to some class or classes of persons in the community I do not think you will have very much difficulty in deciding whether or not we should have a definition of the word 'trader.' That is a very minor difficulty as compared with the more important question of whether or not the Act in its present form should apply to any class of the community whatever.

Mr. FITZPATRICK. In regard to the Insolvency Act I find my memory was entirely at fault. The statute of 1864 applied in Lower Canada to traders only and in Upper Canada to all persons, whether traders or not traders. I have looked through the Act and I do not find any definition beyond that.

Mr. R. L. BORDEN. I am speaking of the Act of 1875.

Mr. FITZPATRICK. I have that also and I find :

The following persons and partnerships or companies exercising like trades or callings or employments shall be held to be traders.

That is very general ; I should not like to think that enumeration would limit the general terms of the section. I should not like to give that as a considered opinion of law.

Mr. R. L. BORDEN. I do not quite understand my hon. friend.

Mr. FITZPATRICK. I should not like to say in law that the following enumeration limited the general terms I have just described. I do not think the enumeration limits that at all.

The following persons and partnerships or companies exercising like trades, callings or employments shall be held to be traders.

Then we have the enumeration, not the definition, but the enumeration which my hon. friend (Mr. R. L. Borden) pointed out. Now that is only an enumeration it is not a definition. That is my opinion. If my hon. friend from Lincoln (Mr. Lancaster) would think we ought to define the word 'trader' I would be quite willing to have the Bill considered further for the purpose of considering any definition he would suggest. I must confess notwithstanding what has occurred that I know of no definition in law in any statute in this country of the word 'trader.' I know of no definition, absolutely none. We have a judicial construction of the term in our province. We have it in Ontario and we have it in the Privy Council, but we have no statutory definition that I know of.

Mr. R. L. BORDEN. We have no statutory definition which is applicable to all cases, but notwithstanding the opinion of the Minister of Justice, I would call this a practical definition.

Mr. FITZPATRICK. Would my hon. friend drop the word 'practical' and say 'definition' ?

Mr. R. L. BORDEN. I will tell my hon. friend what there is here. There is an enumeration of about thirty trades which are included, and about six which are not included. I would call that a practical definition, and I would be content to take the same kind of definition in this statute.

Mr. FITZPATRICK. This matter was discussed last year in the Senate, and I have looked at the debate. With such legislation as we have already in existence. I think it is most desirable that traders should be made to understand that they cannot take advantage of the credit they enjoy for the purpose of defrauding their creditors, and if my hon. friend from Lincoln (Mr. Lancaster) can get us a definition of trader that will meet the case, I would be inclined to go with him.

Mr. R. L. BORDEN.

Mr. L. A. RIVET. I have been approached by the Chamber of Commerce of Montreal with the request to support this Bill, and I desire to say a few words upon it. This Bill has been instigated by almost all the boards of trade throughout the Dominion, because they feel that some legislation of this kind is badly needed at the present time, in the absence of an Insolvency Act, to protect not only the public at large against fraudulent debtors, but also the traders themselves against themselves. The legislation that was presented to the Senate last year went through without any amendment from its original form. It was presented by the Hon. Senator Beique. Although some senators took exception to the Bill, they did not offer any amendment to it. They all agreed that legislation of this kind was needed. I do not myself really see the force of the objection of the hon. leader of the opposition in regard to the definition of the word 'trader.' I agree with the hon. Minister of Justice that that word is perfectly understood particularly in the province of Quebec. A trader is a man who is habitually engaged in commerce.

Mr. R. L. BORDEN. Would it include a commission merchant?

Mr. RIVET. Of course. My hon. friend the leader of the opposition understands very well that it could not apply to a professional man, such as a lawyer or a doctor. Of course, if a lawyer or a doctor chose to engage in trade, such as selling wood or timber, through that side line of business he would become subject to the application of the present Bill.

Mr. R. L. BORDEN. Would it include a wharfinger or warehouseman ?

Mr. RIVET. Yes, an agent—any man who engages in trade and commerce.

Mr. R. L. BORDEN. Would it include a farmer?

Mr. RIVET. Not a farmer who sells the products of his farm ; but if a farmer chose to deal in hay, for instance, or to engage in any other trade, I have no hesitation in saying that he would become subject to the application of this Bill. It seems to me perfectly simple. The line of demarkation could be easily drawn between people engaged in professions and people engaged in trades. I think there is no difficulty whatever in the definition of the word 'trader.' Now I come to the application of the Bill. I have said that it is badly needed ; and this is shown by the resolutions which have been passed by almost every board of trade throughout the Dominion. If I am allowed, I shall submit to this committee a report which has been made by a committee appointed by the Chambre de Commerce of Montreal, and adopted by that body. This report was

afterwards sent to every board of trade in the Dominion, and approved of by them. It was embodied in a resolution which was passed by the Chambre de Commerce afterwards, and which reads as follows :

Whereas, the failure to keep regular books of account is adverse to the interests of those who invest their capital in commercial, industrial and financial enterprises by exposing them to endless losses, and is likewise the cause of a great many business failures ;

Whereas, the absence of books is also the cause of embezzlements, of all manner of breaches of confidence, of dishonest manipulations of funds, of obtaining moneys under false pretenses, and, finally, of fraudulent failures ;

Whereas, the enactment of a law, obliging persons or corporate bodies, doing business, to keep books of account, would have the salutary effect of checking these dishonest and illegal practices ;

Whereas, the making of accountancy obligatory for establishments or enterprises of a certain magnitude, would safeguard the general credit and would aid in the advancement and development of trade and of industries throughout the whole of Canada :

Resolved, that this 'Chambre de Commerce' reiterates its representations to the federal government, praying the introduction, at the next session, of a Bill obliging all persons, or bodies corporate, doing business, or who obtain credit, to the extent of one thousand dollars and upwards, to keep books sufficient, in case of failure, to render an account of their operations, and that such persons or bodies corporate, be held criminally responsible unless they show that the absence of regular books of account was not for the purpose of defrauding their creditors.

The fact that all the boards of trade throughout the Dominion approved of this resolution and passed similar resolutions, shows that there is a general feeling amongst commercial people in favour of legislation on this subject ; and their views thus formally expressed, should be taken into consideration by this parliament. The promoter of the Bill in the Senate last year, Senator Beique, stated that similar legislation exists in several countries, among others, France.

But such legislation is far more stringent than what we are proposing, because in France the laws which regulate commerce are more extensive and complete than those which prevail here and in England. It seems to me that in France, public opinion is more disposed to favour the stringent legislation than it is in any other country. As hon. members know, there are in France two kinds of bankruptcy—the ordinary bankruptcy and the fraudulent, and there the laws go very far in the way of regulating trade and commerce. The legislation in that country was found too stringent, and the promoters of this Bill found it expedient to adopt rather the legislation which exists in Scotland, and which has been in existence there for many years and has given every satisfaction. Of course we do not want to go too far, but this legislation is only a step in advance, and later on, if no general insolvency law be adopted, a step further ought to be made.

Bill reported, read the third time and passed.

NORTHWEST TERRITORIES REPRESENTATION ACT.

Mr. T. CHASE CASGRAIN (Montmorency) moved the second reading of Bill (No. 117) to amend the Northwest Territories Representation Act.

Mr. LEMIEUX. I understand that the Bill is not printed in French.

Mr. CASGRAIN. I cannot understand why it is not, because it has been on the order paper over three weeks. I am inclined to think that it is, and that the order paper is mistaken. I would ask my hon. friend if possible not to press his objection, because this probably will be the last day on which I can bring the matter before the House. It is really a very important Bill. Its object is to introduce into the Northwest Territories Representation Act the provisions of the general election laws regarding the agents of candidates.

Mr. SIFTON. Where does the demand for the legislation come from ?

Mr. CASGRAIN. From the Northwest Territories. I do not undertake to say that I represent the Territories at all, but influential gentlemen from that part of the country have asked me to introduce this legislation. I do not think however that I need any special mandate. If I find in such an important statute as the election law of the Northwest Territories a section which evidently requires amendment, I do not think I require any distinct mandate from the Territories to propose an amendment. I am sure that my hon. friend the Minister of the Interior will concur in that view. I am sure he will agree that we have a general mandate here to represent the people and not only those parts of the country from which we come. If my hon. friend the Solicitor General will withdraw his objection, I think he will be convinced that he has done well. My own opinion is that the Bill is printed in French and that the error is in the order paper.

Mr. R. L. BORDEN. It was read the first time on the 19th of May.

Mr. CASGRAIN. Yes. Under the 48th section of the Northwest Territories Representation Act, the enumerator can issue as many certificates as he pleases, while under the general election law he can only issue a certain number. The general trend of legislation on this subject has been to limit, as much as possible, the number of certified agents, so that no personation, as far as possible, may take place. It is

well understood that if a number of agents get these certificates, they can go into outlying districts where they are not known, and the danger of personation then becomes greater than if only a distinct number, fixed by the statute, were appointed by the proper officer. If hon. gentlemen will refer to section 61 of the Dominion Elections Act they will find that :

The returning officer, on the request of any elector entitled to vote at one of the polling stations, who is appointed deputy returning officer or poll clerk, or who is named the agent of any of the candidates for a polling station other than the one where he is entitled to vote, shall give to such elector a certificate that such deputy returning officer, poll clerk or agent is entitled to vote at such election at the polling station where such elector is stationed during the polling day.

Then it goes on to say :

2. The returning officer shall not grant such certificate for more than two agents for each candidate at or for each polling station.

3. Every person so appointed deputy returning officer, poll clerk or agent, and claiming to vote by virtue of such certificate, shall, if required, before voting, take the oath in the form R.

4. Such oath, with the corresponding certificate of the returning officer, shall be filed with the deputy returning officer at the polling station where the person taking it has voted.

The object of this Bill is simply to amend the 48th section of the Northwest Territories Act so, as to make it as nearly as possible similar to the section in the general Act. The Bill says :

Every enumerator shall attach to each of the two copies of the voters' list which are by section 30 of this Act required to be posted up by him within each polling division, a written notice which shall be signed by him and shall designate a place and time where and when electors may conveniently find him during at least two consecutive hours on every day, except Sunday, of the eight days next before the polling day, for the purpose of applying to him for such certificates.

I am told on very good authority that this has happened in several instances, and I am not imputing any motives to anybody. The enumerator, after giving certificates to a certain number of gentlemen to represent a certain candidate, then disappeared, so that the agents or representatives of the other candidates could get no certificate at all.

So there are two dangers in the law as it stands to-day—the danger that a great many certificates may be given, thereby increasing the opportunity for personation ; and the unfairness resulting from the law, inasmuch as the enumerator, by thus disappearing, can prevent the other candidate from getting certificates and being represented at the poll. Now, if that is so, it appeals to the fairness of hon. gentlemen opposite whether it would not be better, under the circumstances, to assimilate the law that is in force in the Northwest Territories to the General Elections Act, and make it incumbent upon the enumerator who gives these certificates to be at a stated place during stated hours for the eight days which precede the polling, so that he may give certificates to the agents of both candidates. That is the first provision of the Bill.

Mr. SIFTON. My hon. friend (Mr. Casgrain) has the statute before him. Will he say who are entitled to receive certificates ?

Mr. CASGRAIN. The deputy returning officer, the poll clerk and any agent. That is where the difficulty comes in. I understand there is no difficulty about the deputy returning officer or the poll clerk, but there is difficulty about the agent. All we ask is that the enumerator be put in such a position that he will be obliged to give certificates to those on either side who ask for them ; and, secondly, that he will give only three certificates. The General Election law says two certificates, but this provides for three. I remember that in the provincial legislature of Quebec, when this question came up, it was agreed on both sides that is was a wise provision to limit, as much as possible, the number of certificates that might be given. And in the election law that was passed by that House when I had the honour of sitting there and of proposing the measure, two certificates were allowed to be given by the deputy returning officer to the representatives of the candidates. Here, owing to the different circumstances in the Northwest Territories, the Bill allows three.

Mr. R. L. BORDEN. And they to be given by the enumerator.

Mr. CASGRAIN. Yes. That is another circumstance made necessary by the condition of affairs in the Northwest Territories. The Bill goes on to say :

(c) the certificates issued by each enumerator shall be numbered consecutively in the order of issue ;

(d) the certificates shall not be issued in blank.

This is to do away with another source of fraud. Certificates in many instances, before the General Election Act was passed, were issued in blank, so that anybody could get them. In fact, the agent of the candidate or, sometimes, the candidate himself, went about with blank certificates giving them to anybody, thereby again increasing the danger of impersonation.

(e) the certificate shall contain in writing the name of the person to whom it is issued, and shall state that he is a qualified elector, the polling division in which he is entitled to vote, and, if he is a deputy returning officer, agent or poll clerk, the polling station for which he is appointed.

Section 2 of the Act provides that this certificate shall be filed with the returning

officer, and that an entry shall be made in the poll-book opposite the voter's name if the deputy returning officer or poll clerk or agent has voted. There is no political controversy about this matter. The House, having, in 1900, adopted the system set forth in the present Bill, has absolutely no reason for rejecting this measure. It places both parties on the same footing; and I should be very loath to believe for an instant that hon. gentlemen opposite would wish to take advantage of the unsatisfactory condition of the law to-day. All we ask is that the law which applies to other parts of the Dominion should apply to the Northwest Territories.

Hon. CLIFFORD SIFTON (Minister of the Interior). I had no intention, in addressing the question I did to my hon. friend (Mr. Casgrain) as to the source of complaint in regard to the present law, to suggest that any member of the House had not a perfect right to introduce a Bill to amend any public statute. I was asking for information, to ascertain whether or not, as a matter of fact, complaints had been made as to the operation of the present law, and, if so, from what source those complaints had come. I asked that question, because, so far as I am concerned, my attention had not been drawn to any complaints made as to the operation of the present law. The representation law for the Northwest Territories, as the House is aware, is not the same as the law which governs the rest of the Dominion. Parliament has thought well that a different law should be in force there, because of the fact that, owing to the sparseness of population and the extent of the districts, the ordinary law as respects the compilation of voters' lists could not be conveniently applied. There have been some modifications of the election law made since 1896 in the direction of protecting the opposition, or the party not in control of the official machinery, and considerable improvement has been made in that respect. I do not think that any objection could be taken to an amendment which has for its purpose to limit or prevent the possibility of fraud. But, for myself, not being aware that my hon. friend (Mr. Casgrain) intended to move his Bill this evening, I have not had the opportunity to give the matter the consideration, in consultation with the members of the Northwest Territories, that I would like to have given, in order to ascertain how the law has worked. I would not like to express a positive opinion against the proposal of my hon. friend, nor would I, without looking into the matter, express an opinion in favour of it. I move the adjournment of the debate, so that the matter can be considered at a future time.

Mr. CASGRAIN. I would have no objection to the motion of my hon. friend (Mr. Sifton), and I understand that the reasons he has given for the adjournment of the debate are quite plausible. But I am under the impression that this is the last day when public Bills can be brought up by private members, unless they can be brought up on Monday.

Sir WILFRID LAURIER. They can be brought up on Monday.

Mr. CASGRAIN. Under these circumstances, I have no objection to the motion.

Motion (Mr. Sifton) agreed to, and debate adjourned.

YUKON TERRITORY REPRESENTATION ACT, 1902, AMENDMENT.

On the order :

Second reading of Bill (No. 118) to amend the Yukon Territory Representation Act, 1902.—Mr. Casgrain.

Hon. CLIFFORD SIFTON (Minister of the Interior). I may say to my hon. friend (Mr. Casgrain) before proceeding with this motion that it is the intention of the government to introduce a Bill for the purpose of amending the election law in connection with the Yukon Territory, and, possibly, the amendment which my hon. friend desires to suggest can be more conveniently discussed then. We will give the hon. gentleman an opportunity to bring forward his amendment when our Bill is before the House.

Mr. CASGRAIN. If I had not been told, in answer to a question which I put at the beginning of the session, that it was the intention of the government to amend the Yukon Representation Act——

Mr. SIFTON. I think the hon. gentleman was told exactly the opposite.

Mr. CASGRAIN. No—unless I completely misunderstood the answer. Had I not understood that the government did not intend to amend the Act, I would not have introduced the Bill. There are some parts of the present law so glaringly inconsistent with some other parts that it is necessary that the government should amend it. I would draw my hon. friend's (Mr. Sifton's) attention, for instance, to the oath. He will see at once that the oath described in the schedule of the Act is not at all in accordance with the provisions of the Act itself.

Mr. SIFTON. If the hon. gentleman will move the second reading and make the explanations he intended to make, we will then have the benefit of his remarks so that we can consider them in connection with the Bill we intend to introduce.

Mr. CASGRAIN. I move that Bill (No. 118) to amend the Yukon Territory Representation Act, 1902, be read the second time. Now, here is the oath :

You do swear that you are of the male sex and a British subject, that you are not an Indian, that you are of the full age of twenty-one years, and that you have resided in the

Northwest Territories for at least twelve months and in this electoral district for at least three months immediately preceding the issue of the writ of election.

Now, the Act itself does not say anything about three months; the only provision in the statute requires a residence of twelve months. I believe this oath was taken from the old Northwest Territories Representation Act and put into this Act without any consideration of the text of the statute itself. Then there is another grievance to be found in the Act. The enumerators prepare the list under section 29, which reads as follows:

Each such enumerator, upon his appointment and having first taken the oath of office, shall immediately thereafter compile a list of the persons qualified as electors to vote at the election then pending, for the polling division or each of the polling divisions for which he has been appointed; and he shall make three plainly written copies thereof, with the names of the voters alphabetically arranged, giving the occupation and residence of each voter, in the form K in the schedule to this Act.

2. In the compilation of such list the enumerator may only enter thereon the names of such person or persons as are, by statutory declaration filed with him, declared, by such person or some agent having a personal knowledge of the facts declared to, to possess the qualifications necessary to entitle to vote under the provisions of this Act.

Then section 30 says the lists must be posted up. Now as to the correction of the voters' list section 31 reads:

If any enumerator, at any time after posting up any voters' list and seven days before the polling day, is fully satisfied, from representations made to him by any credible person, that the name of any qualified voter has been omitted from the voters' list of the polling division to which such voter belong, he shall add such name to the copy of the list in his possession below his own signature, and shall attest such addition by his initials; if the enumerator, in like manner, is fully satisfied that there is on the list the name of any person who is not qualified as a voter in such polling division, he may draw erasing lines through such name, and write his own initials opposite thereto in the column for remarks.

Hon. gentlemen will notice that in the compilation of the list the enumerator can only put upon the list those persons whom he is satisfied are qualified to be electors by the statutory declaration filed with him, while in the correction of the list, which is just as important an operation as the compilation of the list, he will take the statement only or the representation made by any credible person. So that whilst the law requires for the compilation of the list a statutory declaration as to the qualification of those persons who are to be electors according to the list, in the correction of the list the enumerator shall take only the unsworn representation of a credible person, either to put a new name upon the list or to erase from the list the names of those persons who have been put upon it. It seems to me that this is an anomaly, and that the same precaution should be taken for the correction of the list as for its compilation. If the law is that a sworn declaration shall be made to the enumerator to permit him to put a man's name upon the list the same sworn declaration should be made for the correction, and the Bill which I propose in the House is to that effect, that in order to put another name upon the list which is not already upon it, or in order to take a man's name off the list, a sworn declaration should be filed with the enumerator. Now, section 32 says:

Every enumerator, having revised and corrected such retained copy of each voters' list compiled by him, if he deem such correction necessary, as provided in the next preceding section, shall write at the foot of such copy and close to the last name thereon, two days before the polling day, a certificate in the form of the second certificate contained in form K in the schedule to this Act.

33:

The enumerator shall deliver the voters' list so certified forthwith, or before 8 o'clock in the morning of the polling day to the deputy returning officer for the polling division to which it relates; and such list, as received by such deputy returning officer, shall be the voters' list for such polling division, subject to be further corrected on the polling day as hereinafter provided.

46:

The poll clerk shall make such additions, alterations, and erasures in the voters' list, and such entries in the poll book as the deputy returning officer directs him to make, as is required by any provision of this Act.

So there seems to be no finality. What happens is this: That that list is not really final before a man actually comes up to vote; at all events, the enumerator is only required to give the list which he has compiled to the deputy returning officer before 8 o'clock on the polling day.

Mr. FITZPATRICK. It is two days before polling day.

Mr. CASGRAIN. It should be, but it is not. I have just read to the contrary from the Act itself. There is no finality, because the deputy returning officer or the poll clerk shall, under section 46, make such additions, alterations or erasures in the voters' list as the deputy returning officer directs him to make as is required by any provision of this Act. Now I am told—I do not know whether it is true or not—that on the very day of the last election a great many people were brought to the polling booths and their names were put upon the list while the voting was going on. It seems to me that for the pro-

tection of all parties, some finality should be given to this list a certain number of days before the polling takes place.

Mr. SIFTON. My hon. friend's information is that names are put on the lists without any evidence of qualification ?

Mr. CASGRAIN. Yes. That is my information, and I have got it from very respectable people whose word I cannot doubt, that men were brought up on election day while the voting was going on, and without any evidence whatever as to their qualification, they were admitted as voters and they cast their vote—admitted by the poll clerk under the direction of the deputy returning officer.

Mr. SIFTON. Without a declaration ?

Mr. CASGRAIN. Yes, without a declaration. I may tell my hon. friend that the statute does not require it. The enumerator is not there at the polling booth, and under section 46, it is open to anybody who wants to stretch the wording of the law to do exactly what it is alleged has been done during the election, because it says that the poll clerk shall make such additions, alterations and erasures in the voters' list and such entries in the poll book as the deputy returning officer directs him to make. The hon. gentleman will see that this law opens the door wide to fraud. Now, what I propose to do by the Bill before the House is simply to say that a certain number of days before polling day the lists shall be finally compiled—say two or three days, it doesn't matter very much except for distance.

I am not sufficiently familiar with the country to say what number of days would be sufficient, but it seems to me that each party should be on an equal footing and this list so prepared, should be open to the inspection of everybody so that any person complaining that his name is not on the list or that the list contains the name of any man who has not a right to vote, should be able to go to the enumerator and have the list corrected. But this should be done a certain number of days before polling day, so that no one should be surprised and that on polling day especially, no new names should be added to the list. These are the principal provisions of the Bill submitted to the House. There are other sections also which are not quite so important, for instance I am of the opinion that the discretion vested in the Governor in Council as to the fixing of the date for the election in the Yukon Territory should be abridged, and that a certain limit should be fixed to the time within which the election may be brought on.

Mr. SIFTON. The attention of the government has been drawn to the fact that the Act respecting representation in the Northwest Territories, which was largely modelled upon the old Northwest Territories Representation Act, is in some respects not adapted to the requirements of the country and is unnecessarily cumbersome and expensive in its operation, and it is the intention of the government to introduce a Bill during this session for the purpose of modifying the provisions of the Bill in some respects. Our attention has not been drawn to the fact that any allegation has been made of such an abuse as that of which my hon. friend (Mr. Casgrain) complains, but there could be no possible objection to considering carefully what he has said in reference to it and the amendment which he has proposed. Then if it seems desirable to incorporate these amendments in the government Bill, we could do so when the Bill comes up, and if we should differ from my hon. friend, he would then have an opportunity of moving his amendments. I would therefore move the adjournment of the debate.

Mr. FITZPATRICK. I would like my hon. friend (Mr. Casgrain) to tell me whether he has considered the question as to whether the attestation of the list has to be made forty-eight hours before polling, because really, I must confess to my hon. friend I am entirely at sea.

Mr. CASGRAIN. Yes. There is one provision of the Act which says it should be, but there is another which says the list can be altered on polling day.

Mr. LEMIEUX. Which is the last ?

Mr. CASGRAIN. They are in the same statute, but the one I have mentioned last is the last.

Mr. FITZPATRICK. I was under the impression that the list has to be closed forty-eight hours before polling.

Mr. R. L. BORDEN. The difficulty is that there are two inconsistent provisions in the statute, the provision to which the hon. the Minister of Justice refers and another which is inconsistent with it and upon which action was taken in the recent election. I may say, not only with regard to this, but with regard to the Bill we were discussing a moment ago, that similar representations to those which my hon. friend (Mr. Casgrain) says have come to him, have been made to me in very emphatic terms, not only about the possibility, but the performance at elections in the Northwest Territories and in the Yukon.

Motion (Mr. Sifton) agreed to, and debate adjourned.

CANADA TEMPERANCE ACT AMENDMENT.

Mr. B. B. LAW (Yarmouth) moved the second reading of Bill (No. 119) to amend the Canada Temperance Act.

Mr. FITZPATRICK. I would ask my hon. friend to allow this matter to stand. I have not had an opportunity of looking into this

Bill. It was only printed and distributed yesterday by mistake, and I have had no chance of considering its terms.

Order allowed to stand.

EXCHEQUER COURT ACT AMENDMENT.

Hon. CHARLES FITZPATRICK (Minister of Justice) moved the third reading of Bill (No. 37) to amend the Exchequer Court Act. He said: This is the Act which extends the right of appeal so far as the government is concerned to enable us to take an appeal in any case whatever the amount involved may be.

Mr. McCARTHY. Has the subject the same right?

Mr. FITZPATRICK. No.

Mr. McCARTHY. Why not?

Mr. R. L. BORDEN. I would like to ask the Minister of Justice (Mr. Fitzpatrick) why the Crown should have the right of appeal while the subject has not that right? It seems to me a rather unusual practice. Of course the prerogative of the Crown extends so as to give the Crown a great many privileges to which the subject is not entitled, but the trend of modern legislation has been to place the Crown and the subject altogether on an equality in regard to matters of this kind. For example, the Crown could at one time exact costs while the subject was not entitled to exact costs, but I think the trend of the decisions in modern times is that where the Crown is entitled to receive costs, it shall pay costs, and where it is not entitled to receive costs it shall not have to pay costs. If the Crown is to have a right to appeal why should not the subject have the right to appeal in cases in the Exchequer court or anywhere else?

Mr. FITZPATRICK. My hon. friend is, of course, aware that the right of the subject to sue is only by exception. The subject now has practically the right to bring the Crown before the courts. We have a practice in Ottawa that does not, I think, exist elsewhere; a fiat is granted to any person, and any person who has a claim against the Crown has a right to exercise it. The result is that we are very frequently compelled to defend ourselves in suits in which the subject has a very doubtful claim indeed, and the amount of costs thus incurred is sometimes very large. The point now is that so far as concerns the Exchequer Court which is of somewhat recent creation, the practice is not very well settled, and it frequently happens that points come up in a comparatively trivial suit which ought to be decided in a definite manner by the Supreme Court, so that we may know the practice and be in a position to decide whether or not it is proper to introduce legislation. I must confess that I can see no great hardship in the present proposal. My experience in practice at Ottawa has been that in cases before the Exchequer Court, the Crown more frequently receives the short end and does not very often receive much sympathy from the courts. It is desirable that we should have an opportunity of having questions of principle settled by resort to a final court. I do not think there is much hardship in this matter, because in all cases where more than $500 is involved there is an appeal on both sides. But there may be large principles involved in cases over very small amounts, perhaps not exceeding $100 or $200. The principle involved in such a case may apply to a dozen cases. I have one case in my mind now where there are fifty-two cases depending on a judgment in a matter in which the amount involved does not exceed $500, and I think it is desirable in the interest of the Crown, in the interest of the government, that we should have an opportunity of having these things settled finally by judgment of the Supreme Court.

Mr. CASGRAIN. It seems to me that all these questions of prerogative have been vastly changed in the last few years, by reason of the change in the relations of the Crown to the subject. When these prerogatives were established, the Crown had not gone into the business of running railways and of doing a great many other things which are done now, and it seems to me that instead of increasing the prerogatives of the Crown and the privileges which the Crown possesses before all the courts in this country and in England, the tendency should be to limit them as much as possible. I really do not see now why a man who is injured on a railway or on some public work carried on by the Crown, should be obliged to go to the Governor in Council and ask for permission to sue the Crown.

Mr. LEMIEUX. Why?

Mr. CASGRAIN. Because if the Crown goes into the business of running the railways and owning steamships, it becomes more like a common subject and in its relations to the common subject, should have no greater privilege extended to it than the privileges which are extended to the subject. I am aware of many instances in which the fiat has been withheld without any justification whatever, but I do not say that such has been done by this government.

Mr. R. L. BORDEN. It has.

Mr. CASGRAIN. Probably, but I am not personally aware of it. It seems to me that it is placing the subject in a disadvantageous position, when you give the crown the right to appeal, and deprive him of that right, so that the Crown can carry on litigation at the expense of the subject. The Crown should not be permitted to appeal simply for the purpose of getting questions of principle decided by the highest

court, unless indeed, it is provided that there shall be no costs against the subject.

Mr. FITZPATRICK. The judges of the Supreme Court will take care of that.

Mr. R. L. BORDEN. Some of the reasons suggested by the Minister of Justice as to the Crown getting scant justice, are rather a reflection on the court than argument for legislation of this kind. Why should the Crown be entitled to an appeal at the expense of the subject? If a test case is selected on which many other cases depend, why should the unfortunate suppliant have to bear the general costs in the event of the Crown succeeding? Where the subject has not the right to appeal, it should be provided that the Crown, if successful, cannot recover costs against the subject.

Mr. FITZPATRICK. That does not seem unreasonable; it is the practice any way.

Mr. R. L. BORDEN. The courts vary more or less.

Mr. FITZPATRICK. Not the Supreme Court.

Mr. R. L. BORDEN. If I were a litigant, I would feel more comfortable if protected by statute.

At present the Crown has discretion to allow, or to refuse, a fiat on a petition of right. I remember on one occasion, the Postmaster General refused a fiat in some thirty or forty cases, and he refused simply because in his pure unadulterated wisdom, he decided that they had not what he called any moral claim against the Crown. Well, that ought to be decided by the courts and not by a minister. I do not believe that practice is conducive to good government. I agree with the Minister of Justice that where persons are likely to run up a large amount of costs, it would be proper for the Crown to insist that before a petition of right is granted there should be security for costs. I would protect the Crown, but I would not allow the Crown to deprive a subject of the right to enforce what he thinks a good claim against the Crown. Some years ago when I discussed this matter, the Minister of Justice seemed to share my views. I would ask him now to take this matter into consideration, and to determine whether some amendment to the law in this respect should not be made. My recollection is that in England petitions of right are allowed with much greater freedom than they are here.

Mr. CASGRAIN. They are hardly ever refused in England.

Mr. R. L. BORDEN. I would suggest that this Bill should be amended so that in cases where the subject has not the right of appeal, if the Crown succeeds on appeal, the subject should not be liable for costs.

Mr. FITZPATRICK. My opinion has never varied with respect to the granting of fiats in petitions of right. Except in extreme cases, I have always been under the impression that the proper course is to give the suppliant an opportunity to litigate his claim before the courts.

Mr. R. L. BORDEN. Hear, hear.

Mr. FITZPATRICK. The courts are established to decide controversies between subjects, and when the Crown, as is the practice nowadays, extends its operations beyond the original limits assigned to it, we ought deal generously with those who make applications for petitions of right. That has been our practice recently at all events. I have not consulted the other members of the government, but is is my personal intention to introduce legislation this session for the purpose of adapting our practice with respect to petitions of right, to the practice in the province of Quebec which provides that security for costs ought to be given in all cases. I would not leave it discretionary with the Crown, because if the Crown wished to favour a suppliant it might be possible to say that he should not give security. It would be better to have a statutory enactment requiring security for costs in proportion to the amount in controversy between the Crown and the suppliant. Perhaps the debate on this Bill had better be adjourned for the purpose, of enabling me to consider how far I may incorporate in the Bill these other matters which I have in mind now. It is a very fair proposition, that when the Crown appeals for the purpose of having a question of principle settled, the costs should not be granted against the subject in the event of the Crown succeeding. That is the practice in the courts now; and we might make it statutory.

Mr. McCARTHY. I would go a step further. If the subject recovers in the court of first instance on a small claim; and if the Crown appeals for the purpose of establishing a principle on which many thousands of dollars might depend, it is not fair that the subject should be dragged through the courts on account of his small claim, and made to pay even his own costs on the appeal. The Privy Council in England frequently, when a rich corporation asks for leave to appeal, says, you may appeal if you wish, but you have to bear the costs of both sides in any event. This is a case in which I think the Crown should bear not only its own costs, but the suppliant's costs as well.

Mr. LEMIEUX. I want to add that since I have been Solicitor General I have had occasion to examine the records of the department with regard to several cases in which petitions of right have been granted by the Crown, and I may say to my hon. friend

from Montmorency (Mr. Casgrain) that to my personal knowledge, generally speaking, the Crown has been very liberal in granting such petitions of right. I can assure him that in many cases the Crown has, for instance, renounced its right to invoke prescription. The suppliants are well protected, and there has been no case of hardship, at least during the few months that I have been in the office.

Motion (Mr. Fitzpatrick) agreed to, and debate adjourned.

YUKON TERRITORY ACT AMENDMENT.

House again in committee on Bill (No. 39) to amend the Yukon Territory Act.—Mr. Fitzpatrick.

Mr. FITZPATRICK. As this Bill was discussed in committee before, I do not know that it is necessary for me to add anything to what I said then, except perhaps for the benefit of those who were not present then, to say that the intention is merely to give effect to ordinances passed by the Yukon Council. By subsection 3 of section 5 of the Yukon Territory Act, it is provided that natural-born and naturalized male British subjects in the territory, who have attained the full age of twenty-one years and have continuously resided there for a period of not less than twelve months, shall elect five representatives to the territorial council, each voter to vote for five representatives. The Yukon Council, acting upon what they conceived to be the law, decided to divide the Yukon Territory into five electoral districts and give to each elector a vote for the representative of his particular district. That was not the original intention, but perhaps, on the whole, there is nothing to complain of in that regard, and under the circumstances the object of this legislation is to give effect to that ordinance sub-dividing the territory into five districts, and giving a right to vote to each elector who has resided in the Yukon Territory during twelve months and in the district during three months.

Mr. R. L. BORDEN. How many elected members and how many appointed members are there in the council ?

Mr. FITZPATRICK. Five elected, five nominated and the commissioner.

Mr. R. L. BORDEN. What is the scheme ? Is it to produce a sort of balance of power between the appointed and the elected members ?

Mr. FITZPATRICK. I could not say what the scheme was, as I was not here when it was adopted.

Mr. R. L. BORDEN. Has there not been some question in reference to the elected and the appointed members, and did not the Minister of Justice give some opinion as to what would be the proper course to pursue under such circumstances ?

Mr. LEMIEUX.

Mr. FITZPATRICK. I have no recollection of that.

Mr. R. L. BORDEN. Was not some question submitted as to whether or not a certain resolution proposed in the council would be a proper one, having regard to the powers of the Yukon Council and its relation to the administration of the government here at Ottawa ? My attention has been directed to something of that kind, but I have not the details here at this moment.

Mr. FITZPATRICK. If my hon. friend has any object, I shall be glad to inquire into that.

Mr. R. L. BORDEN. I should be glad to have the hon. Minister of Justice look it up, and if he would be good enough, after doing so, to bring it down if doing so is not against the public interest, I would esteem it a favour. As this Bill has been discussed already in committee, I would not ask him to postpone it further, but perhaps he will let the third reading stand until we get the information referred to ?

Bill reported.

SUPPLY—PROTECTION FOR FARM AND GARDEN PRODUCTS.

Sir WILFRID LAURIER moved that the House go into Committee of Supply.

Mr. R. BLAIN (Peel). Before you leave the chair, Mr. Speaker, I wish to direct the attention of the government to the question of better protection to the farm and market-garden products. I beg to move the following amendment :

That a large and increasing quantity of farm and market garden products is being imported into Canada.

That our own country is fully capable of furnishing an ample supply of such products for our own market.

That under an adequately protective tariff such sufficient supply would always be produced and marketed in Canada.

And that such readjustment should include as far as practicable the imposition of specific instead of ad valorem duties.

That in the opinion of this House the duties upon the said products should be so readjusted during the present session as to secure the Canadian market to the Canadian producer.

Among the requests that the farmers and gardeners make to the government are the following : That duties be imposed as follows :

	Cents.
Asparagus.. .. ..per pound	3
Cabbages.. .. ..each	3
Cauliflowers.. .. ..each	3
Celery.. .. ..per doz.	25
Beans.. .. ..bush.	45
Green cucumbers.. .. ..per doz.	20
Onions.. ....bush. of 56 lbs.	40
Tomatoes.. .. ..per pound	5
Watermelons.. .. ..each	5
Muskmelons cantaloup.... .. ..each	3
Spinach.. .. ..per bush.	25

I wish to direct the attention of the government to this very important question. In the session of 1901 a deputation waited upon the hon. the Minister of Customs and drew his attention to the fact that very uneven tariff conditions existed between Canada and the United States, in so far as farm and market-garden products were concerned, and the hon. the leader of the opposition moved a resolution during that session which reads as follows :

This House regarding the operation of the present tariff as unsatisfactory, is of opinion that this country requires a declared policy of such adequate protection to its labour, agricultural products, manufactures and industries as will at all times secure the Canadian market for Canadians.

And that the financial policy of the government should include a measure for the thorough and judicious readjustment of the tariff at the present session.

It was thought that the government would do something for the farmers and market-gardeners in the session of 1901. I do not think that any government ever had a better opportunity to do something for so important a class, because the resolution I have just read declared the opinion of the hon. leader of the opposition and his followers upon that question. With this expression of policy on the part of the leader of the opposition and his supporters, the government could have had a resolution adopted unanimously giving to the farmers and market-gardeners the protection they are entitled to. However, in the session of 1901 that resolution was voted down. The hon. leader of the opposition and his supporters recorded their votes in favour of better protection to the farmers and market-gardeners and the right hon. gentleman and his supporters voted down that resolution, so that a distinct issue between the two parties was created on that subject. The Liberal-Conservative party voted in favour of protection and the right hon. gentleman and his supporters opposed better protection to the farmers and market-gardeners. Nothing was done in the session of 1901, and in the session of 1902 another deputation waited on the hon. the Minister of Finance. A very large and influential deputation was received from the province of Ontario and Quebec and submitted resolutions for consideration by that hon. minister and his colleagues—resolutions which had been passed by the Farmers and Market-Gardeners Association of Quebec and Ontario. This large and influential deputation pointed out to the minister that something should be done for the farmers and market-gardeners if they were to retain the Canadian market. During that session the hon. member for Laval (Mr. Leonard) moved this resolution :

That it is greatly in the interests of the market-gardeners and the farmers that the duties on our Canadian garden products be raised so as to give an effective protection against foreign competition.

That resolution expressed the policy of the opposition in this House, but when it was submitted to a vote, the right hon. the leader of the government and his followers voted it down. In the session of 1903, the hon. member for Laval again introduced the same resolution, and important speeches were made pressing some very important facts on the attention of the government, showing that a large quantity of market and farm products was being imported into this country, coming directly into competition with the products of our farms and gardens. It was pointed out also that the present tariff does not give any special advantage because under the ad valorem system of duties, very large quantities of goods were brought in under value, so that there was practically no protection whatever to the interests of the farmers and market-gardeners. This, Sir, is an important question, and I wish to place upon record the one-sided tariff that exists between Canada and the United States. The United States tariff is 45 cents per bushel on beans. Canadian tariff is 15 cents, the United States tariff is 25 cents per bushel on potatoes ; the Canadian is 15 cents. On apples the American tariff is 75 cents per barrel and the Canadian 40 cents. On onions the American tariff is 40 cents per bushel, and the Canadian 25 per cent ad valorem. Cabbages, under the American tariff, are charged 3 cents per head, and under the Canadian 25 per cent ad valorem.

You will see, Sir, by this short list that the duties are entirely in favour of the United States farmer as against the Canadian, and what our resolution asks is that the Canadian tariff shall be made equal to the American. Would you allow me to give an example of how this one-sided tariff works out ? Last year we imported for home consumption from the United States $228,640 of potatoes and we exported but $56,969 worth.

Mr. HEYD. What kind of potatoes did we import ?

Mr. BLAIN. The ordinary field potato, not the sweet potato. Of apples we imported from the United States last year $81,266 worth, while we exported to the United States $11,508 worth ; or a difference in favour of the United States on apples alone of $69,758. So, on these two items that I have mentioned—potatoes and apples—the balance of trade was $241,429 in favour of the United States farmer.

I wish now to give a list—not a complete list by any means but only a short one—of other imports into this country under this

one-sided tariff, for the last year for which we have the returns :

Imported for home consumption for the year ending 30th June, 1903 :

Potatoes	$228,640
Fresh tomatoes	69,014
Tomatoes and other vegetables, including corn and beans in cans	115,905
Strawberries, blackberries, gooseberries and raspberries	89,413
Beans	25,590
Cherries	14,754
Grapes	36,970
Apples, green or ripe	79,497
Drier apples	7,634
Melons	16,318
Peaches	70,903
Total	$754,638

That is the amount we have imported from the United States of these articles, coming in direct competition with similar products of the Canadian farmer. There was a time when it was said that we in Canada could not produce all these articles. Indeed, in the discussion of last session and the session before, some hon. gentlemen on the other side ventured to say that we could not produce many of these articles that we were importing into Canada, or that we could not produce them early enough in the season, when there was a certain demand among the richer classes in Canada for them. But the conditions are constantly changing. There was a time in the history of this country—and not so many years ago—when it was thought that we could not produce roses, when it was thought that, if we required cut flowers in our larger cities, we had to import them from the United States. But things are entirely changed owing to the thrift of the Canadian people ; and, in the town in which I have the honour to live, there is a large rose-growing industry covering thirteen acres with grass ; and last year this company, the Dale Estate, which is so well managed by Mr. Duggan and Mr. Algie, produce more than $100,000 worth of cut flowers and these were sold from one end of Canada to the other while some small proportion, I am glad to say was exported to the United States. During this session a gentleman from Manitoba gave his evidence before the Committee on Agriculture and Colonization. I refer to Mr. A. P. Stevenson, a prominent Manitoban. As to fruit-growing in that province, Mr. Stevenson pointed out that, not many years ago it was thought impossible to produce apples in Manitoba ; but the farmers there have faced this fruit problem and now there is some portion of the apples used in Manitoba that are produced in that province. And he ventured to say that, in a very short time, all the apples required for home consumption in Manitoba could be produced by the Manitoba farmers themselves. That should set at rest the question whether Canada can produce the articles which we are now importing from the United States. This is an important consideration and one that, I am sure, will appeal to the intelligence of the government when they are discussing their policy upon this subject.

I wish now to point out the very large quantity of certain fruits that are being imported into Canada under the free list. For instance, I find that in 1893 we imported into Canada 430,240 bunches of bananas, while, last year, 1903, we imported 942,443 bunches, or an increase in ten years in the importation of bananas alone of 512,203 bunches. To show how rapidly the consumption of this fruit is increasing in Canada I may point out that the importation in 1902 was 765,767 bunches. Thus, with an importation of 942,443 bunches last year, we find that in one year there has been an increase in this import of 176,676 bunches. Then I take the item of pineapples. In 1893, we imported 610,031, while in 1903, we imported 1,375,226. In 1902 our importation of pineapples was 1,095,949, so that there was an increase last year of 279,277. I do not wish to be misunderstood on this question. We have no special complaint at this moment with respect to the importation of these articles. These articles, as is well understood, are not grown in Canada.

Mr. COWAN. Hear, hear.

Mr. BLAIN. My hon. friend from South Essex (Mr. Cowan) says 'hear, hear.' I thought they could grow almost anything in his beautiful country.

Mr. COWAN. Pretty near, but not bananas or pineapples.

Mr. BLAIN. I do not say that the farmers or market-gardeners have any complaint on this question, but I do say that the great free list in our customs law will require cautious consideration at the hands of the government in the near future. These fruits being allowed to come into Canada free are taking the place of fruits which we can produce in Canada and which would be just as suitable for the consumption of the Canadian people. On this question of the free list I wish to give further illustration. We imported into Canada last year $1,376,537 worth of flax seed, and of that large quantity no less than $1,303,758 came from the United States. A fair question to ask would be : What is the duty on Canadian flax seed when it seeks admission to the United States ?

The answer is 23 cents a bushel, but when the American farmer seeks a market in Canada for his flax seed it is allowed in free of duty, because this article is on the free list. I have an extract from the 'Citizen,' dated 1903, which reads as follows :

London, March 19.—Mr. Dickson, a prominent linen manufacturer, Leeds, says, after visiting Edmonton district, that nowhere except in Belgium can there be found conditions of soil more favourable to growing flax. He intends to take out his own machinery and erect a mill there this spring.

That shows you, Mr. Speaker, that there are favourable conditions in the Northwest Territories for the production of flaxseed. That is an article of which we imported last year $1,376,537 worth. I wish to draw the attention of the government to the fact that flaxseed is on the free list and I do not think that it is in the interests of our farmers, when we consider that we have so many million acres of land in Canada that are now unoccupied. When we have conditions favourable for the production of this article, I do not think it is fair-play to the farmers and people of Canada that this article should be on the free list, when we import during the twelve months of last year flaxseed to the value I have named. Now, I wish to point out some other products of the farm that require better protection by this government. The duty on butter going to the United States is 6 cents a pound, the Canadian duty is 4 cents a pound. On cheese the United States duty is 6 cents a pound, and the Canadian duty is 3 cents a pound. On eggs the United States duty is 5 cents per dozen, and the Canadian duty 3 cents per dozen. The question arises: How does that affect the Canadian farmer and producer of these articles? I will give you a few facts, Mr. Speaker. Here is a table of our imports for home consumption from the United States, in the year ending the 30th of June, 1903, of the articles I have named:

Article.	Quantity.	Value.
Butter..	505,113 lbs.	$137,654
Cheese..	179,479 lbs.	30,401
Eggs..	534,485 doz.	121,262

Or a total importation under this one-sided tariff last year of $289,317. Now, how much of these products did we send to the United States? Last year we exported to that country of the produce of Canada:

Article.	Quantity.	Value.
Butter..	50,745 lbs	$10,225
Cheese..	56,676 lbs	7,779
Eggs..	46,773 doz.	6,436

In those three items we exported to the United States $24,440, and we imported from the United States in the same year $289,317, showing a balance in favour of the United States farmer of $264,877, in consequence of that one-sided tariff. I think the right hon. gentleman and his government should do something for the better protection of the farmers who are producing these articles. My hon. friend from the county of Halton (Mr. Henderson), two or three years ago, in the course of his speech in the budget debate, gave a very important illustration of the condition of the pork industry in Canada when we had no tariff and after the tariff was put on by the Liberal-Conservative government. Our tariff on pork coming into Canada is 2 cents per pound, the United States tariff is 5 cents per pound, more than double. I want to show how this tariff works out. We imported for home consumption from the United States in the year endng June 30, 1903,

Bacon, ham, shoulders and sides $410,200
Pork barrelled in brine.. 497,279

or a total in these two items of $907,479. We exported to the United States, in the same year,

Bacon, ham, shoulders and sides. $1,223
Pork barrelled in brine.. 8,631

or a total of $9,854. In other words, we imported into Canada of these items last year $907,479 worth and we exported $9,854 worth, or a total in favour of the United States farmer, as against the Canadian farmer, of $897,625 in one year.

Mr. ALEX. JOHNSTON. Would the hon. gentleman give the figures showing the total exports of Canada into the United States and the total imports?

Mr. BLAIN. I do not wish to be unkind to my hon. friend, but I want to say that I have been particularly careful that my remarks should be directed exclusively to this one question we have up for consideration. When the budget is brought down next week, he will have an opportunity of listening to still larger figures, and I am quite sure if my hon. friend can be convinced he will be convinced that we are importing altogether too much of every class of goods into this country under this one-sided tariff. Now, I want for a moment to point out how trade is drifting in Canada during the last few years. In 1868 we imported for home consumption from Great Britain, $36,663,695; we imported from the United States that same year, $26,315,052. In other words, we imported from Great Britain $10,348,643 more than we did from the United States. But after seven years of our national life had passed away, in 1876, the tables were turned against Great Britain in favour of the United States. In 1876 we imported from Great Britain $40,734,260, and from the United States $46,070,033, showing a balance in favour of the United States in that year of $5,335,773. Ten years more of our national life go by, and in 1886 we imported from Great Britain $40,601,199 and from the United States $44,858,039, showing a balance in favour of the United States of $4,256,840. In 1896 we imported from Great Britain $32,979,742 and from the United States $58,575,024, showing a balance in favour of the United States for that year of $25,594,282. In 1903, the last year of which we have a complete record, we imported from Great Britain $58,896,901 and from the United States $137,605,195, showing a balance in favour of the United States of $78,708,294.

Increase with Great Britain .. .. ..$ 22,233,206
Increase with United States.. 111,290,143

Thus you will see, Mr. Speaker, that our trade is gradually leaving Great Britain and drifting to the United States, and I wish to point out to the right hon. gentleman and his government the fact that one of the reasons, in my humble opinion, is because of the one-sided tariff, the low tariff we have in this country as against the very high tariff that is imposed on our products going into the United States. Some hon. gentlemen will say that our climate is so much against the products of the farm and orchard that we cannot always supply our Canadian market. In no year do the farm products of this country altogether fail in every part of Canada. If we cannot supply the fruit in Ontario, then it can be supplied by the province of Quebec or the maritime provinces. If we cannot supply it in eastern Canada at all, no doubt the time will come when we can produce a very large quantity of it in Manitoba and the Northwest Territories, and I am quite sure a considerable portion can be produced in British Columbia. Indeed it is said a very considerable portion of the smaller fruits can be produced in the Yukon district.

I am not going to discuss that now, further than to say that if there is a failure of, for instance, the apple crop in Ontario and there is a good apple crop in other provinces of the Dominion of Canada, then the people in Ontario are sufficiently loyal to bring in their apples from the other provinces of the Dominion rather than to bring them from the United States. The same thing will apply to every other article of produce, pork and every other thing.

The hon. gentleman who to-night occupies the position of Speaker (Mr. Campbell) made some little complaint last year and I wish to refer to what he then said. He dealt at length with the fact that the hon. member for Laval (Mr. Léonard) had waited until the budget was brought down before he moved his resolution. My hon. friend made this statement:

> I am still in hopes that the tariff will be increased on these articles. I am not going to give up yet; I am going to continue, and I warn the Finance Minister now that I shall be after him again and again. But so far as I am concerned I am not going to vote for the hon. gentleman's motion.

The hon. member for West York (Mr. Campbell) spoke in this way, but I shall not pursue that further as the hon. gentleman is now in the chair. I will say, however, that the government have complained in former years during this parliament that we have waited until the budget was brought down before we introduced resolutions of this kind calling for a revision of the tariff. I may say to the right hon. gentleman (Sir Wilfrid Laurier) and his government that we have brought down the resolution now and that it is a notice not of to-day, but a notice of many years' standing, a notice introduced in this parliament either before or after the budget year after year by the Liberal-Conservative party. That party are prepared to give our hearty support to the right hon. gentleman and his government in order that a better protection shall be given to the farmers and market-gardeners of this country. When the right hon. gentleman and his colleagues are considering this question—and I presume they are considering it because I was present at a deputation which waited on the hon. the Finance Minister and his colleagues three years ago, and the government held out such hopes to the farmers and market-gardeners that they left Ottawa feeling that, possibly before they got home, the tariff would be revised and everything made right. But three years have passed away and now we are in the fourth session of this parliament. This government came into power in 1896 with a very large majority at their back. A very large majority of the electors of this country supported the right hon. gentleman and his party at the polls so that they had a free hand in tariff as well as other matters and they stood in a unique position, a position such as the Conservative party never found themselves in when revising tariff. The right hon. gentleman is assured of the support of the hon. the leader of the opposition (Mr. R. L. Borden) and his supporters not only in voice, but in votes recorded in this House on resolutions such as I have read to the House this evening. Therefore, I say that no government has had a better opportunity of correcting this great evil than this government. If ever a government has had fair warning, that warning has been given to the right hon. gentleman and his friends. They have been warned on the floor of this House, newspapers have brought the government's attention to this condition of things, resolutions by farmers' and market-gardeners' associations have been presented to them, speeches have been made on the subject in this House, resolutions have been voted for, and every possible notice has been given to this government that they have the support of the Conservative party of this country in attempting to revise the tariff and to make it adequate to meet the wants of the people of Canada, and equal to what is necessary in the interests of the farming community of this country who are great contributors to the taxes and who should have a considerable amount of attention from the right hon. gentleman and his government.

Sir WILFRID LAURIER. The government has certainly no reason to complain of the manner in which my hon. friend (Mr. Blain) has introduced this matter to the attention of the House. The subject

is not altogether new, and is one on which we have long known the hon. gentleman feels very strongly. If my hon. friend intended simply to give warning to the government, I am sure he has duly done his duty in that regard. My hon. friend (Mr. Blain) is aware that on Tuesday next the budget speech will be delivered, and therefore he will not be surprised if I tell him that at this moment the government cannot accept his motion. The subject, as my hon. friend says, is under the consideration of the government. It has been more than once brought to their attention, but the budget speech will be delivered on Tuesday as I have said, and then we will know what the policy of the government is. Therefore, Sir, as I said, the hon. gentleman will not be surprised if the government do not feel justified in accepting the motion he has placed in your hands.

Mr. F. D. MONK (Jacques Cartier). My hon. friend from Peel (Mr. Blain) has gone so fully into this matter that I merely wish to add a few words, because the constituency which I have the honour to represent, and several other constituencies lying in the vicinity of Montreal, are interested to a very large degree in the question which has been raised by the hon. member for Peel. I shall not go over the figures which have been so carefully grouped by my hon. friend; they appear in the returns which have been brought down from time to time, but I may say that as he gave them to the House I followed him from these returns, and I found them absolutely correct. The conclusion to which even a superficial examination of these returns inevitably leads is that the importation of garden produce from the United States is increasing gradually from year to year since 1896, having begun shortly before that time. It has increased steadily and it presses greatly upon important centres in Canada, like Toronto and Montreal, particularly from January to July in every year. From the last returns for which I moved at the beginning of this session that clearly appears. The Americans have an absolute advantage in our markets during the months that might be most profitable to our market-gardeners.

In the months of March, April, May and June, the United States market-gardeners have their harvest. They send their goods in here, and when later in the season our market-gardeners have their products ready for sale, they are prohibited by a high duty from sending them to the United States. Carefully prepared statistics show that of garden products and agricultural products generally, we export to the United States to the equivalent of 10 per cent a head of our population, while we import these products from the United States to the extent of $2.90 cents per head of our population. I was somewhat surprised and at the same time amused, to hear the Prime Minister state that he could not adopt this amendment because the budget had not yet been brought down; for I remember that when a similar motion was made by my hon. friend (Mr. Léonard) some years ago after the budget speech had been delivered, the right hon. gentleman's complaint then was that the motion should have been made before the budget speech. I suppose there is no use bothering about the Prime Minister's inconsistency in such a matter. The truth is, that the Prime Minister, his government, and his party have not seriously considered the urgent representations which have been placed before them for the last ten years by the market-gardeners of Canada. The market-gardeners have organized to give their representations strength; they have sent petitions to the government which were not marked confidential, but which were entitled to no less consideration on that account; they came to the government in deputation both from Ontario and Quebec, but no heed has been paid to them by the government. I remember, Mr. Speaker, (Mr. Campbell) when you yourself piloted a large deputation of market-gardeners to interview the ministers, and you seemed to be entirely favourable to the claims that were put forward by the gentlemen you accompanied. I am sure it is only the bitter irony of fate that has placed you in the chair to-night, and prevented you from supporting by your voice, and voting as you no doubt would in favour of this amendment. I respectfully point out to the Prime Minister, that the protection which market-gardeners receive on their industry amounts to two per cent only, whereas other industries are protected to a much greater extent. The market-gardeners pay a duty of from twenty-five to thirty-five per cent on everything they consume, but their own industry receives virtually no protection at all. The industry for which we now plead is not a small industry. We have gone to the trouble of compiling statistics in Jacques Cartier county, and we have found that in that county over a quarter million dollars is invested in the industry, and that there are 2,000 people whose means of livelihood it is. Mr. Legare, leading member of the market-gardeners association, in the province of Quebec, demonstrated to the government when he appeared before it here with a deputation, that if the industry were protected to a reasonable degree it would afford a means of livelihood for not 2,000 but for 6,000 people. On one occasion when a deputation appeared before the government the objection was taken that the consumers should be considered, but it was clearly proved that the consumer does not get these vegetables any cheaper than if he purchased those of native growth. It was shown that on the island of Montreal there could be cultivated at all seasons of

the year, tomatoes, beans, celery, lettuce, parsley, onions, cucumbers, cauliflowers, watercress, spinach, green pease, and all those vegetables that come from the United States. It was established that we could not only furnish all the wants of the people of Montreal, but furnish them at a lower price and of better quality. The vegetables sent to us from the United States are what are left over on the markets of Boston and New York, and which are ten or twelve or fifteen days old when they reach here. They are sent in train loads of twelve or thirteen cars at a time. The importation is increasing from year to year, because while previous to 1897 they were only brought by express, they are now brought in refrigerator cars at less cost, and are consequently sold cheaper. They are valued by the customs at comparatively nothing, pay a very low ad valorem duty and are sold at high prices. The consumer gains no advantage in the matter of price, and he gets vegetables of a quality inferior to the native product. Most of these imported vegetables are grown in the southern states where they are cultivated by coloured and Chinese labour.

Under these circumstances, competition by our own market-gardeners is almost impossible. I said a moment ago that as a general rule the duties scarcely amounted to more than 2 per cent. Take as an example celery, which formerly was very much cultivated around Montreal, and was sold at every period of the winter. The cultivation of celery has now very largely been abandoned, because it comes to us in such large quantities from California. It is sold there at from 10 cents to 15 cents a dozen. It pays a duty of 20 per cent ad valorem, or 2 cents or 3 cents a dozen, and it is sold in Montreal at from 75 cents to $1 a dozen. The same thing applies to very large quantities of cucumbers, tomatoes, cabbages, green pease and beans, spinach and lettuce. We are in a position in the county of Jacques Cartier to furnish lettuce for the city of Montreal all the winter, and our competitors are the American exporters, who send up large quantities of an inferior article, and who are in a position to sell it at a considerable price on the market of Montreal; but they flood our market, and are in a position to sacrifice that product, and they do a great deal of injury to our gardeners. Last year, for instance, when the market in Montreal in the early spring was normal, tomatoes were at a reasonable price, and a great many were being brought into the city of Montreal from the county of Jacques Cartier, when one morning over twelve carloads of tomatoes arrived from the United States and were thrown on the market, disturbing the market and ruining the prospect of our market-gardeners for a just and legitimate profit during more than ten days.

Now, Mr. Speaker, what has been asked of the government? The association in the province of Ontario has deliberated; the association in the province of Quebec has held counsel; and, strange to say, before they even conferred together, they came to exactly the same conclusion, and I submit that that conclusion is a reasonable one. They do not ask for a higher tariff than that which the Americans have against us; but they have come to the conclusion that in the interest of their industry it is necessary that they should have against the American market-gardeners the same protection which the United States have against us, and that is what they ask from the government. It seems to me that that demand is reasonable and just; it has been properly urged before the government, and this is the occasion for the government to take up the matter. If it is impossible for the Minister of Agriculture himself to investigate it or for the Minister of Customs to look into it, let the government have recourse to its usual method of naming a commission to investigate the truth of the allegations contained in the petitions which have been so often brought to the notice of the government. These people, after waiting for seven years, and after having, on each occasion that they have come here to make their representations to the government, received the assurance that their just complaints would be looked into and if possible remedied, have not made much progress, and it is the duty of the government without further delay to do justice to their claims. It was suggested on one occasion to the Minister of Finance that we might adopt a sliding scale of duties which would not interfere with the legitimate business of our market-gardeners during the first six months of the year, and that suggestion seemed to be acceptable to a certain extent to the Minister of Finance. If the government is not disposed to treat the American producers as they treat our producers in this particular line of business, it might at least make a trial of that sliding scale, which would protect our market-gardeners during the season of the year when they might possibly expect to derive some profit from a legitimate industry which is deserving of every encouragement from the government.

Mr. C. B. HEYD (South Brant). Mr. Speaker, if the hon. gentleman who introduced this resolution had not connected the farmers with it, I would not have risen to make any observations upon it. So far as the products of the market-gardeners are concerned, if the duty were put upon them, there would be one comfort, that it would fall mainly on the rich. But as the hon. gentleman has included the farmers as being petitioners for increased duties, it would be just as well to see what the result would be to the farmers of this country if the desires of the hon. member for Peel (Mr. Blain) were carried out. The hon. gentleman stated that we imported more butter from the United

States than we export to that country. That is quite immaterial to me. The question is, how much does the importation of butter from the United States injure the farmers of Canada ? When we look at the figures which I have very hurriedly prepared, we find that last year we imported 658,000 pounds of butter, while in 1901 we produced 141,000,000 pounds. Under these circumstances, how much injury the importation of 658,000 pounds of butter, probably into British Columbia or some of the Northwest Territories, far distant from our own great producing centres, would do to the farmers of this country, I cannot really see. When you think of 658,000 pounds imported and 141,000,000 pounds made, each man can figure for himself how much a duty on butter would benefit the farmer. Take cheese : last year our imports of cheese were 269,000 pounds, and our exports to England alone were 229,000,000 pounds. How much good would an increased duty on cheese do the farmers of Canada ? Take eggs : we imported last year 772,000 dozen, but the product of Canada was 84,000,000 dozen. How much harm is being done to the farmers of Canada by the importation of those eggs ? When the hon. gentleman alluded to potatoes, I asked him whether yams were included. He said it was Irish potatoes he alluded to. Well, last year we imported 407,000 bushels of potatoes, while we produced 55,000,000 bushels in Canada.

We imported 407,000 bushels while we produced 55,000,000. How much injury is the farmer suffering from that import ? Take the question of hay, we imported 7,000 tons last year and produced 8,000,000 tons. Of wheat we imported 84,000 bushels while our production amounted to 93,000,000 bushels. Our imports of oats were 100,000 bushels last year and our product 151,000,000 bushels. Of barley we imported none, and grew 34,000,000 bushels. Then in the case of apples, while our imports amounted to but 81,000 bushels, the products of our orchards reached the figures of 48,000,000. How could it possibly conduce to the welfare of the farmers to increase the duties upon these articles, which do not come at all into competition with what they raise ? We export more than we import, and the small quantity we do import does not come into competition with the produce of our own farmers. I would not have alluded to this were it not that my hon. friend included the farmers in his resolution. Of pineapples we purchased $127,000 worth. Of bananas—

Mr. BLAIN. I am sure my hon. friend does not wish to misinterpret my remarks. I did not say that the resolution asked for a duty on pineapples or bananas, but I distinctly said that these were on the free list but would have to be considered by the government at some future day.

Mr. HEYD. Of course the condition of the artisans of Canada is so prosperous today that they can afford to eat pineapples, bananas, oranges and other luxuries of that kind. They eat pineapples to the extent of $127,000 worth, bananas to the extent of $819,000 worth, and oranges and lemons to the extent of $1,000,000 worth. What the object of the hon. gentleman was in introducing these articles into his speech at all I cannot conceive, unless it were to show that our people are consuming too many luxuries in this period of good times, and that we must by some means put a stop to that consumption and compel them to eat more dried apples. It was said once by some English statesman that the people of England would be more prosperous if they ate less. On the same principle, our friend thinks that our people would be more prosperous if they were prevented from eating pineapples, bananas and oranges. But my hon. friend from Essex (Mr. Cowan) says these fruits are not grown up there, and what they cannot grow in Essex you cannot grow anywhere else in Canada. The tax upon oranges, pineapples and bananas, therefore, would be a tax on the consumer and for whose benefit ? It could not be for the benefit of the farmers or market-gardeners, for they do not grow these fruits. I am quite willing to admit that a few men in Canada who engage in the market-gardening business would benefit by having their interests protected to a certain extent, but it is a large question whether the great body of consumers should be subjected to a tax of that kind for the benefit of a few. Personally I have no objection when the tax falls on the rich, but bananas and oranges are sold so low that even the poorest of our people can buy them. The banana is a wholesome food, bought principally by the poorer classes, as I can state from my personal knowledge, being in the business of selling these articles myself. I do not think that my hon. friend has strengthened his case by including these articles in his list or by trying to show that our farmers are injured by an importation of farm products, when the relative quantity of that import, compared with our own production, is represented by one to a thousand. Just imagine the harm that is done our farmers by 531,000 pounds of imported butter coming into competition with 141,000,000 pounds, which they produce, and by the importation of $50,000 worth of cheese. And what kind of cheese ? Stilton, Roquefort, Swiss, and I suppose even Limburger. And these cheeses, which are regarded as luxuries and found upon the tables of the principal hotels and of the rich, are supposed to come into competition with our cheese industry, which exports to Great Britain 229,000,000 pounds, besides giving an abundant supply to 6,000,000 of our own people. The whole thing is absurd, and I trust the House will vote down this resolution.

Mr. ROBERT JOHNSTON (Cardwell). I was rather surprised, Mr. Speaker, to hear the speech we have just had from the hon. gentleman who has just taken his seat, and who last year wanted more protection on a manufacturing industry situated in the city from which he comes. But while he is quite prepared to stand up for protection for a particular industry in which he is interested, he is quite ready to vote down a motion which asks for protection to the produce of our farms. The argument he has advanced furnishes proof positive that our farmers require protection, because to the extent that farm products are brought in from the United States, to that extent must our farmers seek a far-off market for what stuff they grow.

Mr. HEYD. Tell us how you can protect cheese.

Mr. ROBERT JOHNSTON. We can protect it to the extent that cheese comes in from the United States to this country. You may import Limburger cheese or anything else, our Canadian cheese is quite good enough for our Canadian people. The hon. gentleman went on to show how many potatoes were imported and how many we could not use, but just to the amount of foreign potatoes brought into this country must be consumed here, does this foreign product drive our own to a distant foreign market? That operates in the same way as bringing in free corn displaces so much of the coarse grains as would be consumed on our farms. These hon. gentlemen talk about our not producing sufficient market-garden stuff in the Dominion, but they do not give fair play to our market-gardeners to produce anything like what they would if they had sufficient tariff protection. They could produce many months earlier than they do now, because they could afford to build hot houses to a greater extent. At present it is not worth a market-gardener's while to go into a big speculation by building hot houses and glass houses in order to supply this country with early vegetables when the Americans are charged so small a tariff on the products they send in. If the tariff were high enough to shut out the imported stuff, our market-gardeners could grow a great deal more and during many more months. When the sugar beet growers of Ontario waited on this government and asked for a protection or a bounty on the growing of sugar beets they could not get a bounty, but the government proposed instead to give a bounty to the manufacturers of the beet root sugar and let them fix the price to the farmers. I cannot see why the farmers should not be protected as well as the manufacturers. The hon. member for Brantford (Mr. Heyd) was anxious that the binder twine business should be given a bounty, but I do not think that he would have urged such a policy if there were not a binder twine factory in his town. I am in favour of giving the farmer the same fair-play that you ask for the manufacturers. I remember the late Minister of Public Works (Mr. Tarte) giving a protectionist speech at South Ontario, and I well remember the Reformers clapping their hands when he spoke of protection for the farmers and manufacturers of Oshawa. And he almost goes over the same speech he made in Oshawa, and the very ones who applauded him there hiss him in this House. If it was a good thing to give bounties on steel, on lead, on lumber and other things, why do you refuse to give a bounty on sugar beets, when these are grown by our own farmers? Every hundredweight of vegetables brought into Canada displaces Canadian-grown stuff, and injures the Canadian farmer by compelling him to seek a foreign market and to accept the lower price that is offered when it reaches that market, instead of the price that should be got for the product fresh and perfect for use in the home market. There is no argument in favour of a bounty to a factory in the town of the last speaker (Mr. Heyd) that would not be equally strong in favour of bounties to the farmers, who are the backbone of this country. If we use American farm products, that means that a certain quantity of our own products must be sent to the old country for sale. And in this the American gains the benefit, because our market, in which the American sells his stuff, is comparatively near, while the market in which our people must sell is distant. I hope, not from a party standpoint, that the farmers and market-gardeners of this country will be given as good protection as the manufacturers. But you cannot give protection, even to the manufacturers, without benefiting the farmers, because the farmers will get the benefit from the sale of their goods in the nearer market created by the presence of the workers in the factories.

Hon. RODOLPHE LEMIEUX (Solicitor General). This question of protection to the farmers and market-gardeners did not come up from the time when I first had the honour of a seat in this House, in 1896, until the session of 1902. The question was then raised by my hon. friend from Laval (Mr. Léonard). That hon. gentleman had been elected in 1902, and I must say that this question of higher duties in favour of the farmers was one of the issues in the campaign which was carried on in his county. He brought up the question in this House, and was seconded in his efforts by the hon. member for Jacques Cartier (Mr. Monk), who was then leader of the Conservative party in the province of Quebec. I well remember the speeches of both these gentlemen during the session of 1902. It appears that the hon. member from Jacques Cartier was found deficient in some way by the hon. gentlemen opposite. True, he was

the only one who had carried an election, who had gained a victory, in the province of Quebec since the general elections of 1896. But it appears that this year, in the month of March, he was forced out of the leadership by the members of his party, who selected as their leader, the gentleman who is supposed to be the high priest of protection in this country. That gentleman, the hon. member for St. Mary's, (Mr. Tarte), had occasion to speak during the session of 1902, and it will be well, perhaps, to remind the House of the speech he delivered on that occasion. Mark well, Mr. Speaker, he was chosen as the leader of the Conservative party in the province of Quebec because he was the apostle of high protection in this country. And what did he say on this very question in the session of 1902, answering my hon. friend from Jacques Cartier and my hon. friend from Laval, who had used at that time the same arguments which we have heard in support of the resolution now before the House ? The hon. gentleman (Mr. Tarte) was then Minister of Public Works. Speaking on April 28th, 1902, he said :

My hon. friend wants us to raise the duties upon lettuce, cucumbers, tomatoes, asparagus, celery, beets, onions, &c. It is well known that in the winter months we do not grow cabbages nor cucumbers. We are also aware that it is extremely difficult to raise tomatoes in the winter season. We had to pay, last winter, 50 cents a pound for tomatoes of Canadian growth, whilst American tomatoes were being sold on the Montreal market at 20 cents a pound.

Remember, this is the apostle of high protection who speaks. Further on he says :

It is idle to appeal to prejudices. There are enough people buying tomatoes and lettuce, for let it be known that I am speaking the plain unvarnished truth. Cauliflowers are not grown in the winter months in Canada. I agree that during a certain season of the year they can be kept, perhaps during two or three months. The cauliflowers we buy in the winter are imported from the United States.

In short I believe that what the hon. gentleman is aiming at is to make political capital with the electors and to catch popular favour rather than appealing to their reason. Let my hon. friend allow me in all due deference, to call his attention to the fact that in the province of Quebec, as elsewhere, farmers have a great deal of common sense. Go through the county of Laval and ask the market-gardeners if they can produce cucumbers, celery, tomatoes and cauliflowers in the winter months, and they will tell you that they cannot do so.

Further on, answering the hon. member for Laval, the Minister of Public Works of that day used the following language :

My hon. friend knows very well that, even if additional duties were imposed on pease, tomatoes, cucumbers and other vegetables, that would neither improve the climate nor enable us to grow those vegetables to advantage during the winter months. The increase in the duties asked for by my hon. friend would only result in forcing the consumer to pay more for those products, without improving the condition of the Canadian producer. To my mind, such a proposition is preposterous.

This is the language of the high priest of protection in this Dominion. I might say that, even after my hon. and distinguished friend from Jacques Cartier had fought the battle in the county of Laval, where this question of high protection for market gardeners had been made a live issue, he was deposed as leader and replaced by the hon. gentleman from St. Mary's (Mr. Tarte). And here we have Mr. Tarte's own words against the very proposition which is now under discussion on the motion of the hon. member for Peel (Mr. Blain). For my part, I hold that the hon. member for St. Mary's spoke on that occasion, words of wisdom. And I am ready to stand by him during this debate, and to say with him that the farmers and market-gardeners of the Montreal district—and of the Gaspé district, too—have a great deal of common sense, and will not be caught by the silly proposition which has been made this evening.

Mr. J. EMILE LEONARD (Laval). (Translation.) I have listened with pleasure to the views expressed by the hon. Solicitor General concerning the ex-Minister of Public Works (Hon. Mr. Tarte). Two years ago the ex-minister was opposing the doctrine laid down in the amendment which the hon. member for Peel (Mr. Blain) has just presented, but since he has grown older and come to the conclusion, or rather he is convinced, that we should concede the fair demands of the people of Laval and several counties submitted to you through the channel of the member now addressing the House. Every one remembers, Mr. Speaker, that he who is just now addressing you was returned in spite of the combined efforts of both the provincial and Dominion governments, at the request and upon the advice of the hon. member for Jacques Cartier (Mr. Monk). Notwithstanding anything which the hon Solicitor General may have said, the hon. member for Jacques Cartier was not deprived of his leadership by the Conservatives in the province of Quebec. If the hon. Solicitor General is not any more familiar with the effect of the present tariff upon market gardening in Canada than he is with the internal administration of the Conservative party in the province of Quebec, I am bound to admit that he does not know much about it.

It is useless for my hon. friend, the Solicitor General, to wax eloquent in order to stir up the Conservatives of the province of Quebec who are of one mind in honouring the hon. member for Jacques Cartier. The Conservatives can dispense with the advice of my hon. friend when selecting the chieftain who is to lead them to victory at the next general election. He is strangely mistaken if he imagines that he can stir up in

our midst strifes altogether unknown in the Conservative party.

As to these customs duties, I do not intend to answer the so-called arguments which have just now been brought forward, but speaking as a representative from the district of Montreal, I shall avail myself of this opportunity to state openly that my hon. friend, the member for Jacques Cartier (Mr. Monk) was not turned down by the Conservatives of Quebec but that he willingly resigned, actuated by purely personal motives.

My hon. friend the Solicitor General attempted to make merry of the ex-Minister of Public Works because he opposed this amendment in 1902.

I did not rise on my feet to recall what I said two years ago when answering the remarks of the ex-Minister of Public Works. When the hon. member for St. Mary's (Mr. Tarte) rose at that time to oppose the resolution which I had had the honour to introduce in the House, he was not as familiar as he is to-day with the needs of the farmers in the neighbourhood of large cities, and I may say that he has since so stated to me. Having considered the question, he has come to the conclusion propounded by the hon. member for Peel and the hon. gentlemen on this side of the House, viz., that the market gardeners need a larger measure of protection.

I see in 'Hansard,' Mr. Speaker, (Mr. Campbell), that even yourself you favoured increasing the customs duties on garden truck brought in from abroad, and I am convinced that, were it not for political considerations, and the fear of offending your leader and master, you would give a free vote in favour of the resolution now under consideration.

It is not my intention to repeat now what I had occasion to say on this question during the sessions of 1902 and 1903. However, as I have seconded the motion of the hon. member for Peel, all I can say is that the same needs exist to-day. We were told during former sessions when we brought up this question that it was too late. This year it was our desire to remove that objection by springing this question in the early days of the session. Yourself, Mr. Speaker (Mr. Campbell), you took part in the discussion in 1902 and 1903. In 1903, you told us that it was too early and, in 1903, that it was too late to introduce that resolution.

This year we put the question before the House previous to the budget being brought down. The right hon. leader of the House told us a while ago that we should have waited until the budget speech had been delivered. I considered the suggestion as another attempt to evade the question without settling it one way or the other. I hope that the hon. member for Peel (Mr. Blain) will press this motion to the end, so that if the government should decide to move in the matter, they may rely on the vote that will be given to-night.

Mr. LEONARD.

Without going into details, I may say that what the gardeners are asking for, is a specific duty, because the present tariff with its ad valorem duty opens the door to too many fraudulent devices on the part of the importers of foreign fruits.

I would not feel disposed to make any charges against the custom officers, but it is a well known fact, at least among the buyers in Montreal, that these officers whose duty it is to examine all the vegetables coming from abroad, admit all those from the United States as damaged goods, even if they are in prime condition ; in that way the American exporters can flood the Canadian market to the detriment of the home producers who are not in a position to compete successfully.

Before concluding, I must say that gardeners from the counties around Montreal, as well as those from the counties surrounding our large cities, as Toronto and others, would be satisfied if the government decided to put on all the articles enumerated in this resolution, the same duty as is exacted by our American neighbours on the same articles.

I hope, Mr. Speaker, after the speech of the right hon. first minister, that we will succeed in our exertions to obtain a revision of the tariff to the advantage of the gardeners of this country. I flatter myself that my efforts in that direction have not been in vain, and that my election as a member of this House will not have been without some weight, when the government comes to the decision of increasing the duty on the market garden products.

Mr. L. P. DEMERS (St. John and Iberville). (Translation.) Mr. Speaker, I think the opportunity is well chosen to say a few words on the circumstances which attended the election of the hon. member for Laval. At the time he was a candidate in Laval county, another election was being held in the St. James Division of Montreal, and the Conservative speakers were very careful not to mention that question. Yet, we are told to-night that the election in Laval county was fought on these lines.

Mr. LEONARD. (Translation.) That is the same objection which was raised at the time by the ex-Minister of Public Works (Mr. Tarte).

Mr. DEMERS. (Translation.) My hon. friend is greatly mistaken if he supposes that he has been elected on that fiscal issue. The tariff does not electrify the masses ; this proposition has been put forward by the hon. member for Jacques Cartier, his chief—if he has still a claim to that distinction—in a speech that was reported in 'La Presse' of the 1st March, 1904, in which speech he is credited with these words : 'Can the masses enthuse over the tariff ?'

Several circumstances contributed to the result of that election in Laval county : two

Liberal candidates were in the field, and the outcome was a split among our friends, and then there was the natural flow of sympathy for a man of the county as against an outsider.

It seems to me that the hon. gentlemen opposite have failed to make out their case. They have not proved that the American products are slaughtered on our markets; they have not established that the gardening industry is not prosperous in this country. It is my good fortune, Mr. Speaker, to be professionally in touch with the gardeners of the surrounding counties of Montreal and I know personally that there is not a more prosperious class in this country.

Mr. DAVID HENDERSON (Halton). I am sure the House is deeply indebted to the hon. member for Peel (Mr. Blain) for again introducing a subject which is as much a live question to-day as it was on the former occasion when it was brought to the attention of the House. In my opinion the home market of Canada, to the agriculturist, the market-gardener, the producer of fruits and vegetables, as well as all the other commodities produced on the farm, is the very best asset he has. It is of more value to him than all the other markets of the world, because it consumes from 80 to 90 per cent of the entire products of the farm. I say therefore it is of the utmost importance that the home market should be guarded by every legitimate means this government can employ for preserving to the people of this country such a valuable asset. If a foreign nation were to invade our shores I have no doubt the Minister of Militia and Defence, whom I am glad to see in his place, would at once call upon all the forces at his command to drive back the enemy and to prevent the invasion. Now I believe it is just as legitimate, just as proper that the Finance Minister of this country should use the tariff of which he has the making for the purpose of preventing an invasion of our country by the surplus products of the United States and other countries. I say the one is just as legitimate as the other, and no one for a moment, not even yourself, Mr. Speaker, would object to the Minister of Militia using all the means in his power to prevent a territorial invasion of our country by a foreign enemy. Surely the invasion of our market by the surplus products of foreign countries is just as injurious; and therefore you, Sir, should join us, and I trust you will join us on this occasion, in supporting the resolution moved by my hon. friend from Peel, and give better protection to the home market of Canada for the products of our farms.

For 25 years this policy has been the declared policy of Canada. In 1878 the national policy was brought down, and then it was declared to be the policy of this country to protect the agricultural products of Canada. It is true that a portion of that protection has been removed. I regret very much that in the tariff of 1897 the hon. gentlemen now in power so far forgot their duty to the agriculturists of this country as to reduce the duties on important products of the farm; and I regret as well that coming in under changed conditions, changed circumstances, when larger protection to the agricultural products of the country was necessary, they did not see fit to grant to that class that fair share of national care to which their position, their wealth and their numbers fairly entitle them.

My intention to-night, Mr. Speaker, is to advert more particularly to the growth of small fruits; the matter of vegetables has been referred to by others. Permit me first to make a brief reference to some remarks that fell from the hon. member for Brant (Mr. Heyd). He seemed to try to laugh away the idea of protecting the farmer on his butter, his cheese and his pork, simply because the importations of butter, cheese and pork were comparatively small compared with the entire production of the country. Now, I want for a moment or two to show that hon. gentleman that this is not a matter that can be laughed away. The farmers of this country are deeply interested in this question, and if the importations of pork from the United States are not large compared with the entire products of Canada in that article, it is no argument why protection should be removed or should not be increased. Take the item of barrel pork alone. Last year, I find we imported 5,637,000 pounds of barrel pork, a very considerable item indeed. But what I want to draw attention to is this fact. We are told that the great market for our bacon and ham is in England, we send the greater part of that portion of our pork to the British market, and we are told that it is no difference whether our market is protected or not because we have a market in England for all the bacon and ham we can produce. But, Mr. Speaker, neither the hon. member for Brant, nor any other gentleman in this House, has been able to find a hog that will cut up entirely into bacon and hams. There are portions of the hog, as the hon. gentleman will understand, of which you cannot make bacon and hams, a portion of the hog for which you cannot find a profitable market in Great Britain. While you can export your bacon and hams, all that we can produce for that matter, you cannot export certain other portions of the hog. You cannot, for example, find in England a market for all our lard; our pork packers cannot find a market in England for the shoulders, for the spare ribs and for other portions of the hog, backs and so forth—yes, and the heads and feet. These portions of the hog cannot be profitably exported to Great Britain and must be sold in Canada. Now, Sir, if we allow our market to be invaded by

American pork to such an extent that it will prevent our pork packers from finding a market for the unexportable part of the hog, what are our pork packers to do? They have simply to do one of two things. Notwithstanding that they have a market in Britain for all their bacon and ham, if they cannot find a market in Canada for the unexportable part of the hog they simply have to reduce the price of live hogs to the farmer or stop their business. Now in 1902 there were more hogs slaughtered in the province of Ontario than in any previous year. What was the result? There was so much of the unexportable part of the hog thrown upon the market in addition to what came in from the United States, that the home market could not consume them, and we had not a profitable market abroad for such. The result was that the pork packers of this country had to reduce the price to the farmers very materially indeed. That will be the result. We can find a market, as I said before, for our bacon and ham, all we can produce, but we must guard the market of Canada as regards that portion of the animal, which we cannot export to the old country. Therefore, I say that to laugh at the idea of a duty on pork being necessary because only a small amount is being imported, is not treating the question with that sincerity to which it is entitled.

Now, Sir, with reference to the small fruit production I desire to say a few words. I think, Mr. Speaker, (Mr. Campbell) you are authority for the statement made a year ago that some 4,000 people in the neighbourhood of the city of Toronto were employed in the production of garden stuff. We have it stated here to-night by the hon. member for Jacques Cartier (Mr. Monk) that some 2,000 people are employed in his own county. Now I would not undertake to say how many people are employed in the county I have the honour to represent, in the production of small fruit, but I know it is a very large number indeed, men, women and children, who are engaged in growing, gathering and marketing small fruit. It is an industry of considerable importance, an industry in which a very considerable amount of capital is invested. The land on which these small fruits are grown is very valuable, is worth hundreds and hundreds of dollars per acre. No land suitable for that purpose can be bought at a cheap price.

As I said before, a very considerable number of people are employed and these people are entitled to consideration at the hands of the government in having a market provided for their product at their door. Small fruits such as raspberries and strawberries cannot be exported to Great Britain; practically they cannot be exported to the United States, because the people of the United States produce the same fruits in large quantities and have a tariff against our fruits which guards their market. I say therefore that we are entitled to the paternal care of the government so that we can retain the market that we have in our own country for these perishable products. I am aware that when I advance an idea of this kind I shall be met with the stock argument—and I think it has been thrown across the floor to-night—that if you put an increased duty on these green fruits you will enhance the price to the consumer. Suppose it does enhance the price to the consumer, who is going to be benefited by it? The farmer, the man we want to help. Is it any harm to help the farmer to make more profits out of his farm so long as you do not hurt any one else? But with a proper readjustment of the tariff there is no reason why the consumer should be hurt because we can protect the consumer at the same time that we protect the producer. We can protect the producer by increasing the duty on small fruits coming into this country and keeping out foreign fruit, so as to give the gardener and the farmer of Canada who produce the small fruits a larger and better market for their products. On the other hand you can, by a readjustment of the tariff, protect the man who consumes fruit in another way. Reference was made to the importation of dried fruits. We import very largely into this country, currants, raisins and prunes. The prunes come chiefly from California, raisins come from Spain as well as from California, and currants largely from Greece. We do not produce any of these articles in this country. We might put a duty of five hundred per cent on these articles, but you could not protect the industry in this country. A duty put on these dried fruits is not for the purpose of protection, but for revenue purposes, and revenue purposes only. Now let us simply readjust the tariff on fruits; let us reduce the duty on the dried fruits and increase it on the green, and what is the result? The result would be that the farmer in Canada who produces the strawberries, raspberries, currants and grapes would get a larger market and a better price for his products and when any family wants to buy groceries, their raisins, currants, prunes, and other dry fruits of which they would buy more pounds per year than of green fruits, they would get them at a much reduced price, because the duty would be lower. Thus there is no reason with the readjustment of the tariff, why any one would be hurt. But there is a strong probability that a very deserving class in this community would be helped. Therefore, I say, if the Minister of Finance wants to help the farmers of this country he has an opportunity of doing so without hurting the consumers or causing any families to pay a larger price for the fruits they consume during the whole year. The answer of the Finance Minister is: Our policy is a policy of tariff for revenue only,

we cannot afford to do that. The Finance Minister will tell us that if he reduces the duty on the dried fruits he will lose the revenue from them and that if he increases the duty on the green fruit, fewer of them would come in and he would get less revenue. The Minister of Finance wants revenue; he cares nothing for the interest of the people of this country, he cares not whether the farmers get a proper price for their products or not. No, Sir, that is not the first consideration of the tariff of this government. Their tariff as they have told us is a tariff for revenue only, and it is framed in such a way as will take the greatest amount of taxes out of the people irrespective of what the people's interests are. If the hon. gentleman (Mr. Fielding) would use the same argument with other articles it would simply show how unfair the argument is. Apply the argument to raw sugar, or to rice or an article like foreign leaf tobacco, as well as the articles I have given, imported raisins and currants and prunes. In every case a tax on these articles goes to enhance the price. If you put an extra duty on raw sugar you certainly enhance the price. A duty is not placed on raw sugar for purposes of protection; we make refined sugar, but do not make raw sugar and the higher you put the duty on raw sugar the higher the price to the consumer becomes. The Minister of Finance says that is all right. Tariff for revenue is his policy; he cares not for the interests of the people of this country, he cares not whether the farmer makes a profit so long as he gets $50,000,000 or $60,000,000 to expend in this country. The same thing applies to rice on which he imposes a duty of about sixty-one per cent. You cannot produce rice in this country and a duty placed on rice is simply a tax on the people, and the same thing applies to the other articles I have mentioned.

Readjusting the tariff on the fruits that I have suggested would be a benefit to the farmer, the gardener, the workman and the business man. A larger market would be secured and there would be more employment for labour and, as I said before, if it does enhance the price of goods, no one is hurt because the tariff can be readjusted, so that by levelling it, in reducing the duty on dried fruit and increasing it on green fruit any family can secure the requisite supply of fruits during the whole year at no greater cost, while the producer of fruits in this country will be largely benefited. I do not desire at this late hour to detain the House, but I would like to refer to the large importation of dried and green fruits into this country. I do not desire to give the matter in detail, but let me say that we imported in 1903 for home consumption in blackberries, raspberries, gooseberries and strawberries alone 1,066,035 pounds, enough to keep a good many gardeners employed.

We imported of cherries, 146,956 pounds. We imported of grapes, 1,151,249, and let me tell you that about one half of these grapes came from the United States.

We imported of canned goods in 1903, 1,608,749 pounds valued at $83,545. Of this amount of canned goods 730,664 pounds came from the United States and under the preferential tariff we received 718,368 pounds. Every pound of these goods could be grown in Canada, and put up in Canadian factories. The United States sent us last year $41,564 worth of canned fruit, and they took from us $13,891 worth, a very unfair exchange indeed, and an exchange which proves that we should have a bigger share of their market if we are going to let them have so large a share of ours. We imported last year 27,372,811 pounds of dried fruits; so that you see that it is quite possible by slightly reducing the duty on the dried fruits to furnish revenue to the government, and to make compensation to the householders of this country for any enhanced cost they may be put to by reason of the increased duty on the green fruit. I am sure that the House will welcome this amendment. It gives us an opportunity of showing to the Finance Minister on the eve of his budget speech, just what the people of this country desire. I know, Mr. Speaker, (Mr. Campbell) your strong opinions on this question. I know you realize just as well as we do that the market-gardeners and producers of small fruits around the city of Toronto and throughout Canada are suffering by reason of the invasion of foreigners on their limited market. We hope that the First Minister will inform the Finance Minister of the views we have expressed, and that when he brings down the budget on Tuesday next there will be an adjustment of the duties on vegetables and small fruits, such as will inure to the best interests of the producers as well as the consumers in this country.

Mr. JAS. CLANCY (Bothwell). The Prime Minister devoted less than a minute by the watch, to the discussion of this important question; he waived it aside with indifference, and he told us we would know the mind of the government when we heard the budget speech. Is it not well that the government should know the sense of the House on this question, before that budget speech is delivered? The only other member of the government who spoke was the Solicitor General, and he simply told us what the Hon. Mr. Tarte had said on a former occasion, and then he sat down satisfied. I sympathize with you to-night Mr. Speaker (Mr. Campbell). I know this has been a painful scene to you. You headed a deputation that waited on the Minister of Finance with regard to this important question, and not many months ago you delivered an eloquent and earnest speech that came from your heart and not from your lips, in favour of the principle of the amend-

ment which is now before the House. I sympathize with you that you are compelled to-night to occupy the painful position of listening in silence to the jibes and jeers of the member for Brant (Mr. Heyd) against the market-gardeners and the farmers of this country. His remarks must have pained you. That hon. gentleman (Mr. Heyd) would compel the market-gardeners of this country to eat dried apples and Limburger cheese for having the temerity of petitioning this House for redress of their grievances. The hon. member for Brant spoke for the government. He is very prominent in the county of Brant, but let me remind the House that he is a large importer of these very articles from the United States, on which we think a duty should be placed. It is this gentleman that the government gets to speak for them, and it is this gentleman who ridicules the farmers of this country.

Mr. HEYD. I am sure my hon. friend does not want to magnify my importance in the community in which I live. I never imported an ounce of anything in my life from the United States.

Mr. CLANCY. The rules of parliament compel me to take the hon. gentleman's word, but how does it come that a man engaged in business on one of the most important corners in the city of Brantford, never imported a single article in his life from the United States.

Mr. HEYD. Not of the articles you mention.

Mr. CLANCY. The hon. gentleman is qualifying it now, but it makes no difference.

Mr. HEYD. It makes a big difference.

Mr. CLANCY. The hon. gentleman has the ear of the Minister of Customs, and he succeeded in inducing the government by Order in Council of the 13th of February, 1902, to admit free of duty, steel for the manufacture of cutlery, there being a cutlery factory in his own town of Brantford. On the 4th of June, 1902, he succeeded in getting the Minister of Customs to allow in free of duty malleable iron or steel castings in the rough for the manufacture of scissors, so as to help the cutlery factory in his own town.

Mr. HEYD. Allow me again to say that I had nothing to do with it.

Mr. CLANCY. The hon. gentleman is now obliged to deny that he bore any part in procuring a reduction in the cost of the raw material for the cutlery factory in his own town. Why, Sir, it is the most astonishing denial I ever heard. However, I will accept the hon. gentleman's statement.

Mr. HEYD. The only astonishing thing about it is that what I have said is true, and what you are saying is not true.

Mr. CLANCY. Will the hon. gentleman say that these reductions were not made ?

Mr. HEYD. I do not say that. I say that I had nothing to do with bringing them about ; that is all.

Mr. CLANCY. Was the hon. gentleman opposed to them ?

Mr. HEYD. Certainly not.

Mr. CLANCY. What an independent position the hon. gentleman takes ; what little responsibility he takes. No charge could be laid at his door. He knows nothing about it ; he is not responsible, and he is scarcely cognizant that it ever took place. What was that done for ? It was done for the purpose of bolstering up and encouraging an industry in the hon. gentleman's own town which was perishing, and the government of the day had not the courage to impose protective duties, but, to compensate, they made a reduction in the duties on the raw material ; and what happened ? Perhaps the hon. gentleman does not know that the doors of that establishment in his own town have been closed for the want of reasonable protection. But the hon. gentleman was not satisfied with that. He supported and voted for the taking of the duty off binder twine ; and what is he doing now? Supporting a government which taxes the farmers and market-gardeners, and makes them pay tribute to the manufacturers of binder twine by way of bounties, because the duties have been taken away. The hon. gentleman is almost every day making the life of the Finance Minister unhappy by going to him and urging him to put a duty of $5 apiece on carriages to assist an industry in his own town. Perhaps he will deny that ?

Mr. HEYD. Yes ; I will deny that, too.

Mr. CLANCY. I have the information that the hon. gentleman carried a pair of scissors in his pocket for two sessions to show what a splendid industry they had in Brantford. Perhaps he will say that is not true ?

Mr. HEYD. No ; that is correct.

Mr. CLANCY. And this is the conduct of the hon. gentleman who gets up to-night to speak for the government. Let me take the case presented by the hon. member for Peel (Mr. Blain). Let me suppose that the market-gardeners and farmers in the hon. gentleman's own district had reasonable protection, what would be the result ? They would have the entire home market. Then let me suppose that reasonable protection were given to the binder twine industry. As was the case in 1897, there would be a greater number of workmen in the hon. gentleman's own town to consume the products of the farm. Let me suppose that a duty of $5 each were imposed on carriages, the hon. gentleman knows perfectly well that there would be an increased number of

men employed in his own town ; and what would be the result of that ? The result would be that both parties would be protected, both would have the home market, and such a condition of affairs would be brought about as would be beneficial to all Canada.

I do not propose, after the able speech of the hon. member for Peel, to argue a question that is not arguable in a sense. What do these men ask who come here ? They ask that the same duties shall be imposed on the products of the soil of a foreign country, produced by foreign labour, as are imposed on our products going into the United States. Is that arguable for a single moment ? It seems to me that it is not, though hon. gentlemen try to waive it aside and ridicule the farmer by saying that they are not easily caught with chaff, that they are sensible men. These men came here asking for a reasonable thing. I am sorry the Minister of Customs is not in the chamber, because I have a letter of his addressed to the farmers of this country, from which I would like to read a few lines. The letter was written on the 1st of March, 1902, and in it this paragraph appears :

> Whether anything will be done or not I cannot say. The subject is one which could not be dealt with by an Act of parliament amending the tariff law.

Is that not a disclosure that is perfectly startling ? These hon. gentlemen come here and ask for a revision of the tariff, stating specifically the increases they require, and the Minister of Customs gravely writes a letter to them—and how he estimates their intelligence we can judge from the paragraph I have just read—telling them that it cannot be done by an Act of parliament amending the tariff. It is the most astounding statement I ever knew to come from a professed business government. It is no answer to say that the tariff question is to be taken up in a few days. Now is the time when the people should make their protest to the members of this House. I hope the discussion will be taken up by hon. gentlemen in all parts of the country. It is an unfair thing to subject the producers of our own country, especially the agriculturists and market-gardeners, to this unfair competition. I have had the honour of representing for many years a border constituency, and I know the difficulties to which the farmers and the market-gardeners have been subjected. Where the transit is short and cheap, the products of American labour are consumed instead of those of Canadian labour. I know of nothing more unreasonable than the conduct of Canadian representatives who will not deal out to the people on the other side of the line the same measures that they deal to us. That is a statement that requires no argument.

Mr. J. B. MORIN (Dorchester). Some of my friends appear to be very much surprised at the way we are treated by the United States, but I, who have lived among them for upwards of thirty-three years, am not surprised at all. Some forty-five, forty-six or forty-eight years ago, I heard these very words that have been pronounced in this House this afternoon uttered by them, and I have in my hand their own tariff, Mr. Speaker, if you want to see it. In 1852 we had a tariff treaty with the United States from which Canada got the advantage. That treaty was to be in force five years, and the Americans declared that the end of the five years they would put in force another tariff and Canada would not then get the advantage. On the 14th of April, 1865, President Lincoln was assassinated and what then did I hear the Americans say. They said it was too bad that Lincoln was assassinated, because if not they would have marched their army through Canada inside of three weeks. Now, however they said, we cannot do that because he have not the man to lead us to Canada. He was the only man who could lead them to victory, and the only resource they had left was to raise the tariff. They said : we will press Canadians to the last with our tariff. Many a time I have argued with them this very question, because I did not let them have their own way all the time. I have heard them say on many occasions : our only salvation is to press Canada, to put on a tariff which they cannot pay, to treat them so that they will not be able to buy from or sell to, then let them come to us with clean hands and we will accept them. I said : what do you mean by clean hands ? Well, they replied, let them pay off their own debts and come in and we will accept them. Here is their own tariff, which I got in the minister's office because I thought it would be useful in the House. I have read this over and over, and I say it is too bad that our good ministers and our good government —for we are promised a good government should allow those Yankees to treat us the way they are doing. Our government yields to every demand they make. Take bread, potatoes, apples, all kinds of meat, lumber and coal, we have got just as good articles as they have, and we can get along without them just as well as they can get along without us. And I say what is the use of our people walking towards them with our hats under our arms like slaves. That was the way the slaves used to walk down south before the rebellion, and that is the way we are walking now. We give them just what they ask, and they are just making fun of us. Last year I spent two months in Pennsylvania and had a great deal of talk with the very same men, and they used the very same words. They expect that we will put our hats under our arms and go to them and say, will you allow us to annex Canada to you ? And yet our government, which undoubtedly knows all these things, lets this go on over and over again. There is no use of my reading this whole tariff, but here is

what is provoking. When we have anything to sell to them they charge an exorbitant tariff on it, whereas when they have anything to sell to us, we let it in at a much lower rate. If we send a young cattle to them less than a year old, they will charge a duty of fifty cents, and over a year old they will charge a dollar. On all sides they have the advantage under this government which promised to be a government of reform and example.

Mr. A. B. INGRAM (East Elgin). As this is the first time I am free to vote for this resolution, I wish to say a few words. I was unable to vote for it on the two former occasions, except in so far as a pair may be considered a vote, because each time I happened to be paired with a government member. I wish to say that I fully concur in the remarks of my hon. friend from Peel (Mr. Blain) and of those who support him from this side. I regret that I could not understand the language in which my hon. friend from St. John and Iberville (Mr. Demers) spoke, but I venture to guess that probably his constituents will have as difficult a task to understand the arguments he made and the stand he has taken. With respect to the hon. gentleman from Gaspé (Mr. Lemieux), who quoted the argument made use of by the hon. member for St. Mary's (Mr. Tarte), who was then a cabinet minister, and who argued that the Canadian market-gardeners could not grow market-garden stuff during the winter months and therefore it was not advisable to increase the duty, and I am informed that the market-gardeners waited on the government and asked for an increase in the tariff. When the argument was used that they could not produce vegetables during the winter months, they said they were willing to accept a sliding scale. That is to say that during the winter months, when it was held they could not produce the vegetables they should be charged duty on a sliding scale and that would not prevent the Americans coming in. But in the season when they could produce vegetables they asked that a sliding scale should be so adjusted as to prevent American competition. That is the difference between the argument then and now.

Now, with respect to the ex-Minister of Public Works (Mr. Tarte) we all know that it was his constitutional duty to take the position he did at that time. Knowing that a majority of the cabinet were opposed to an increase of duty, what other course had he as a cabinet minister? Could we expect him to rise in his place and condemn the policy that the government themselves had decided upon? Certainly not. But, as soon as he left the cabinet and he left it because the majority of his colleagues were opposed to reasonable protection for the industries of this country—he published an article in the newspaper with which he is connected repudiating the arguments used in support of the position he had taken on the protection of market-gardeners. When he was free to express his opinions the opinions he expressed were the direct opposite from those we have heard from the hon. member for Gaspé (Mr. Lemieux). Some attention has been paid to the remarks of my hon. friend from South Brant (Mr. Heyd). I was sorry to hear that hon. gentleman speak as he did. He is eager to protect the manufacturers in the city of Brantford because they are his constituents. In a sneering way he alluded to the fact that the hon. member for Peel (Mr. Blain) had mentioned farmers, and the hon. member (Mr. Hyed) thought he should have confined himself to the market-gardeners. He mentioned several articles on which the farmers of this county had protection. But he opposed the increase of the duty on butter, cheese and eggs and other articles produced by our farmers. Is it not true that the agriculturists of the United States produce more than the people of the United States consume, and yet they find it necessary to have a duty of six cents a dozen on eggs, double the duty on butter that we have, and double the duty on cheese? The Canadian agriculturists also produce more than we consume. In all fairness we should put the Canadian farmer on at least as good a plane as the Americans. What objections then, can the government have to putting on duty for duty with the United States? My hon. friend (Mr. Heyd) quoted oats. And here is a most remarkable thing that is shown by the tables of imports and exports. No farmer in this country, nobody who knows the facts, will deny that the agriculturists in this country can raise as good oats as those of the United States.

Mr. MORIN. Better.

Mr. INGRAM. I am not a farmer, and so am not in a position to speak of this matter from my own knowledge. But I am glad to be informed by the hon. gentleman (Mr. Morin) that we can produce better oats than the United States. But I would like to point out that, while the Canadian farmers accepted 30 cents a bushel for their oats sent to the United States, Americans received fifty cents a bushel for oats brought into this country. I find that we exported to the United States 120,702 bushels of oats, for which we received $39,062. We imported into Canada 100,811 bushels of oats, for which the purchasers paid $50,896. That is to say, the Americans received $11,844 more for about 100,000 bushels of oats than we received for about 120,000 bushels. Now, I say that if we had our own markets for the Canadian farmer, instead of being obliged to pay a duty of 15 cents a bushel on oats, going into the American market, while the American farmer can send oats into this country under a duty of 10 cents, which should be 15 cents a bushel, we would have

a better market at home. It is celarly the duty of the government to increase our duty to 15 cents a bushel as I said before. Now, in looking over twenty-one different articles of the farmer and market-gardener, I find that the Americans sent into Canada $3,664,261 in excess of what we sent to them. I may say to hon. gentlemen opposite that I do not include the item of 6,033,898 bushels of free corn valued at $3,250,329, nor am I including wheat, the import of which amounted to $556,705. Of course, it may be said that this was not consumed in this country. I am willing to admit that, and so I am not including it in this calculation. I notice hon. gentlemen opposite who represent constituencies in the Northwest smile at all this and treat it as a joke. Yet I find that in 1903 we exported to the United States only 1,907 horses, valued at $340,239, while we imported from the United States 29,598 horses, valued at $790,169. And the government supporters from the Northwest a few years ago were complaining bitterly because the Minister of Finance and this government did not increase the minimum valuation of horses to be imported into this country—in other words did not increase the duty. Then take cattle, another important item with our friends from the Northwest. We exported to the United States 10,432 head, valued at $292,288, while we imported into this country 37,527 head, valued at $472,689. Yet my hon. friend from Brant thinks this is all a joke. He thinks the farmers should not have protection. I am glad that I am to have an opportunity to record my vote in favour of the Canadian farmers and market-gardeners. And, so long as I occupy a seat in this House I shall take the stand that the farmers of this country are entitled to greater protection than they have to-day. And I hope the party I have the pleasure of belonging to and supporting will make the case so plain that, after the next general election the leader who has the judgment to adopt this policy, will be given the opportunity of carrying that policy into effect.

Mr. T. S. SPROULE (East Grey). This discussion is valuable for one thing if for no other. It will show the farmers of this country which party is their friend.

Some hon. MEMBERS. Hear, hear.

Mr. SPROULE. My hon. friend from Gaspé (Mr. Lemieux) says 'hear, hear.' I wish to draw the attention of the Canadian farmer to the fact that this hon. gentleman is a minister of the Crown who rises and opposes this motion. He properly voiced the sentiments of the government, and it must be recognized as the sentiment of the government. And the Canadian farmer wants to know that, and knowing it he will see clearly that he is not likely to receive any protection from this government.

Mr. LEMIEUX. How about the hon. member for St. Mary's (Mr. Tarte) ?

Mr. SPROULE. The hon. member for St. Mary's can speak for himself. He left the government because they would not give adequate protection. He publicly declared that he was in favour of protection, and the government demanded his resignation because he was too outspoken on that question. Who are the gentlemen who have opposed this proposal ? For instance, there is the hon. member for Gaspe (Mr. Lemieux). He tells us that he is doing his duty to his constituency. How many market-gardeners has he in the county of Gaspe ?

Mr. LEMIEUX. Lots of them.

Mr. SPROULE. If he will come to the province of Ontario he will find that market-gardening is a great industry employing thousands. The market-gardeners in the hon. gentleman's (Mr Lemieux's) constituency produce fish, largely. We are willing to afford them protection in their industry and they should be fair enough to protect other industries in this country. But the hon. member for Gaspé is a member of a government that is opposed to this motion. Another man who takes the same position is the hon. member for South Brant (Mr. Heyd). He treated the House to an old argument of the hon. member for North Norfolk (Mr. Charlton), an argument used by that hon. gentleman nearly a quarter of a century ago, an argument which has been for about that length of time exploded, discredited. He quotes the exportation of various lines of products from this country and says : Can you protect the cheese in this country when we export 229,000,000 pounds and only import a few thousand pounds ? Well, what brought about that condition ?

When American cheese was coming in until that industry was being destroyed in this country, it was the duty that was put on cheese and the restrictions surrounding the imports, that enabled the Canadian farmers to secure their own market and then they went into that line to such an extent that last year they exported 229,000,000 pounds of cheese. Would they have been able to export that quantity but for the protection given in 1878 ? No, because filled cheese was coming across the line into Canada and was being exported and branded as Canadian cheese, and the effect was to destroy the reputation of our cheese in the mother country. Canadians were being handicapped because their cheese was losing its reputation. But when a law was passed to prevent that, then the Canadians got the full advantage of the excellent character of their cheese. When a law was passed that gave protection to the Canadian producer of cheese, he developed his industry to such an extent that to-day Canadian cheese has a reputation inferior to none.

The hon. member spoke about pork, and asked : Can you protect the farmer in pork ? Does the hon. member for Brant

remember that in 1890 we were importing into Canada no less than 23,000,000 pounds of pork and fresh meats to feed the Canadian people? Does he remember when the farmers came down here in large deputations and applied to the government to put on a duty? The government did put on a duty, not as high as the Canadian farmer wished, and the result was that in one year we shut out 13,000,000 pounds of that pork. What is pork selling for to-day? Remember that the imports did not include the head and feet, and portions of the hog which were of little value, because it did not pay to import them. 13,000,000 pounds of pork at 10 cents a pound would represent $1,300,000, so much of an additional market for the Canadian farmers. Was that no benefit, no protection to him? It is useless to tell the Canadian farmer that he had no additional market on account of the national policy in 1890, because he will tell you that you do not know what you are talking about. When the farmers began to get a profitable return for their pork after one year of this policy, that industry began to develop until it has reached its present great proportions. That duty did keep out American pork and is keeping it out to-day. It is true it is still coming in to some extent, and some of the duties need to be readjusted because of changed conditions; pork is coming in in larger quantities than it should.

What I have said with regard to pork applies equally to butter, to cheese and to other articles in that line. The hon. member says we cannot protect the Canadian farmers in butter. Does he remember when we passed a law to shut out oleomargarine, butterine and those substitutes for Canadian butter that were injuring the market for our butter? His own friends a few years ago tried to take credit for passing that law, as they endeavoured to take credit for it one or two years ago. And yet the hon. member for Brant asks, can you protect Canadian butter? He need not ask that question of the Canadian farmer. He says, can you protect Canadian oats when we only imported 100,000 bushels last year and raised over 100,000,000 bushels? Why did we import that small quantity? Because we put on a duty that shut out American oats that was coming in by the million bushels, and the Canadian farmer to-day has his own market by virtue of that law. And yet we are told that you cannot protect the Canadian farmer. Sir, it is well that the Canadian farmer should know who are his friends in this House and who are his opponents. I say if this discussion served no other purpose than to show the Canadian farmer which party is opposed to his interest and which party is supporting it, it would still be well worth the time we are giving it. The hon. member voiced the sentiment of his party no doubt, and of his friends on that side of the House. But why should the Canadian farmer expect anything from the present government? Did they not tell the Canadian farmer that they were not in favour of protection, but in favour of a revenue duty only? They have now a duty which gives them ample revenue, more than enough, why should they give the Canadian farmer any more protection? Why give the Canadian manufacturer any more protection? The tariff, they declared, is a better one than the tariff in force when they came into power, and gives them ample revenue, therefore the Canadian farmer need not look for any more protection, either for his garden stuff or for his produce in any other line. The then hon. member for South Oxford (Sir Richard Cartwright) said: We are not supposed to protect the farmers. When they appealed to the government of that day to put on a duty, what was his reply? All he could tell them to do was to work harder and eat less. That is the only consolation he gave the poor farmer who was beat out of the markets of his own country. The sooner the farmers know who are their friends in this House and this country the better for them. 'Ask and ye shall receive,' is an old scriptural saying we often hear quoted. The farmers have been asking, the market-gardeners have been asking, but this government, instead of giving them bread, are giving them a stone.

Mr. HEYD. When did the farmers ask for protection?

Mr. SPROULE. It is only a few years ago since I accompanied a deputation to the government on behalf of the market-gardeners asking that higher duties be put on.

Mr. HEYD. Farmers?

Mr. SPROULE. Farmers and market-gardeners together. Why, the farmers have been asking over and over again, the market-gardeners have been asking over and over again, until they find that asking is of no use because a deaf ear is turned to them every time, they can get no consideration. Now are they not entitled to some consideration? I find that between the farmers and the market-gardeners there are over 412,000 of them in this country. Do their numbers not entitle them to some consideration? We have given protection to the manufacturer, we are paying a bounty to those who are producing iron, we are paying a bounty to those who are manufacturing binder twine, and to several other lines. But the great agricultural class of the country, the mainstay of the country to-day, can knock at the door of parliament in vain, because the gentlemen who control the destiny of this country for the time being are opposed to giving them protection, and are in favour of the principle of free trade. The hon. member for Brant has voiced their sentiments to-night,

so has the hon. member for Gaspé (Mr. Lemieux); and the premier himself has devoted but one minute to their interest and that is all. The premier says: We can give you no consolation, because the budget speech is coming down next week,—and he thinks this debate is sprung at an inopportune time. Why, this is the very best time of all others to bring it on. We are bringing this question up in time so as to draw the attention of the government to it, we want to bring before the government the needs of the market-gardeners and the farmers before the Finance Minister makes his pronouncement, then there will be no excuse for the government if they do not give that relief these people require.

House divided on amendment (Mr. Blain).

YEAS:

Messieurs.

Alcorn,	Johnston (Cardwell),
Avery,	Kaulbach,
Barker,	Kidd,
Bell,	Lancaster,
Bennett,	Lefurgey,
Birkett,	Lennox,
Blain,	Léonard,
Borden (Halifax),	MacLaren (Perth),
Bruce,	Monk,
Casgrain,	Morin,
Clancy,	Osler,
Clare,	Pope,
Clarke,	Pringle,
Daniel,	Roche (Marquette),
Donnelly,	Sproule,
Earle,	Thomson (Grey),
Gilmour,	Tolton,
Hackett,	Vrooman,
Henderson,	Wilmot,
Hughes (Victoria),	Wilson—41.
Ingram,	

NAYS:

Messieurs.

Bazinet,	LeBlanc,
Bickerdike,	Lemieux,
Borden (Sir Frederick)	Logan,
Bourbonnais,	Loy,
Brodeur,	Mackie,
Brown,	MacKinnon,
Bruneau,	MacLaren (Huntingdon
Bureau,	Macpherson,
Christie,	McCarthy,
Cowan,	McGugan,
Demers (Lévis),	McIsaac,
Demers (St. John),	McLennan,
Douglas,	Malouin,
Erb,	Marcil (Bagot),
Ethier,	Mayrand,
Fielding,	Meigs,
Fisher,	Morrison,
Fitzpatrick,	Murray,
Fortier,	Parmelee,
Galliher,	Paterson,
Geoffrion,	Préfontaine,
Gervais,	Puttee,
Gibson,	Riley,
Gould,	Rivet,
Grant,	Ross (Rimouski),
Haszard,	Ross (Yukon),
Heyd,	Scott,
Holmes,	Sifton,
Hughes (King's, P.E.I.)	Sinclair,
Hyman,	Smith (Vancouver),
Johnston (Cape Breton)	Stephens,
Johnston (Lambton),	Stewart,
Kendall,	Thompson (Haldimand & Monck)
Lang,	Tobin,
Lapointe,	Tolmie,
Laurier (Sir Wilfrid),	Tucker,
Laurier (L'Assomption)	Turgeon,
Lavergne (Drummond & Arth.),	Wright—76.

PAIRS:

Ministerial.	Opposition.
Calvert,	Taylor,
Wallace,	Tisdale,
Cartwright,	Tupper,
Wade,	Gourlay,
Harty,	Reid (Grenville),
Beith,	Calvin,
Bourassa,	LaRivière,
Copp,	Halliday,
Davis,	Boyd,
Gallery,	Roddick,
Guthrie,	Richardson,
Law,	Armstrong,
McCool,	Smith (Wentworth),
Mulock,	Northrup,
Power,	Culbert,
Roche (Halifax),	Kemp,
Ross (Victoria),	Robinson (Nord.),
Sutherland (Essex),	Ganong,
Dyment,	McCormick,
McColl,	Ward,
Emmerson,	Fowler,
Sutherland (Oxford),	Haggart,
McEwen,	Sherritt,
Lovell,	Kendry,
Beland,	Ball,
Campbell,	Cochrane,
Costigan,	Seagram,
Dugas,	Tarte,
German,	Maclean,
Harwood,	Carscallen,
Lewis,	McGowan,
Marcil (Bonaventure),	McIntosh,
Oliver,	Hale,
Reid (Restigouche),	Rosamond,
Ross (Ontario),	Brock,
Russell,	Lavell,
Talbot,	Broder.

Amendment (Mr. Blain) negatived.

Mr. TAYLOR. Mr. Speaker, the hon. member for Grenville (Mr. Reid) and the hon. member for West York (Mr. Campbell) have not voted.

Mr. J. D. REID. I am paired with the hon. member for Kingston (Mr. Harty). Had I voted I would have voted for the amendment of the hon. member for Peel (Mr. Blain).

Motion (Sir Wilfrid Laurier) agreed to, and House went into Committee of Supply.

Weights, measures, gas and electric light inspection. Salaries of officers, inspectors and assistant inspectors of weights and measures, $62,300.

Mr. J. D. REID. Perhaps the minister will explain?

Hon. L. P. BRODEUR (Minister of Inland Revenue). This is made up as follows:

Weights and measures 'increase'....		$1,250 00
Made up as below :—		
New appointments :		
Assistant inspector, Quebec, L. Bourget vice Chabot superannuated..	500 00	
Assistant inspector, St. John, F. H. Leblanc vice Richard, superannuated..	500 00	
Assistant inspector, Ottawa, W. F. Gilby vice Elliott transferred..	500 00	
Assistant inspector, Ottawa, J. Scott	500 00	
Assistant inspector, Ottawa, R. Findlay..	500 00	
Assistant inspector, Winnipeg, G. M. McKay vice Francis..	700 00	
Increases to officers—pages 31 and 32..	1,050 00	
		$4,250 00
Less—		
Elliott to excise, Sault Ste Marie...	$600 00	
Chabot superannuated, Quebec..	600 00	
Richard superannuated, St. John..	600 00	
Francis, deceased, Sault Ste Marie..	600 00	
Dropping of item for one additional assistant inspector..	600 00	
		3,000 00
Net increase in salairies of inspectors..		$1,250 00

Mr. BRODEUR. There are increases for a number of the inspectors and assistant inspectors, and the net increase in salaries is $1,250.

Mr. CLARKE. What salaries are paid to the inspectors in Toronto, Montreal, Halifax and Quebec ?

Mr. BRODEUR. In Toronto $1,300, in Montreal $1,600, in Quebec $1,200 and in Halifax $1,000.

Mr. CLARKE. Does that include the raise to be given ?

Mr. BRODEUR. No, this is the actual salary. Then the $50 increase is added to that.

Mr. CLANCY. How many inspectors are there in the service ?

Mr. BRODEUR. About fifty, of whom eighteen are inspectors and the others are assistant inspectors.

Mr. CLANCY. Are there any to be appointed this year ?

Mr. BRODEUR. No, on the contrary, I contemplate reducing the staff. I see there is a very large deficit.

Mr. CLANCY. It is impossible to hear what the hon. minister is saying.

Mr. BRODEUR. I see there is a large deficit in that branch of the service and following the practice of my predecessor, I contemplate reducing the staff as much as possible.

Mr. CLANCY. Were there not some appointments made last year?

Mr. BRODEUR. I do not know as to that, I do not see any mention in my notes.

Mr. CLANCY. There is an increase of $1,250 and does the hon. gentleman contemplate making some reduction in the number ?

Mr. BRODEUR. I am providing for increases in salary for those who are meritorious, most of these men are going to receive increases in salary. In the statement which I have just given there is a reduction of one.

Mr. CLANCY. Where is that reduction to take place ?

Mr. BRODEUR. I think it will be in Montreal.

Mr. CLANCY. On what plan is this increase being made ?

Mr. BRODEUR. On the reports of the officers ; those who are giving the best service are generally rewarded by a small increase.

Mr. CLANCY. Who makes that report to the minister ?

Mr. BRODEUR. The inspectors of each district.

Mr. CLANCY. I imagine the hon. gentleman has a pretty good staff in the country, most of them trained men. Is it because of the magnitude of the work or the particular merits of the officers to be specially rewarded. On which of these plans are the increases to be made ?

Mr. BRODEUR. Only those who pass the civil service examination are entitled to become assistant inspectors.

Mr. CLANCY. Is it the inspectors or assistant inspectors who get increases ?

Mr. BRODEUR. Most of the increases go to the assistant inspectors.

Mr. CLANCY. I suppose the hon. gentleman is rewarding the new appointees.

Mr. BRODEUR. There is no discrimination ; every one is increased if his conduct deserves it.

Mr. CLANCY. Does the minister judge by the magnitude of the work or by its quality ?

Mr. BRODEUR. Both.

Mr. CLANCY. I suppose that generally the work is well done.

Mr. BRODEUR. I suppose so.

Mr. CLANCY. If the work is well done on the whole, I do not think there should be

any discrimination. Would the minister give us the names of those whose salaries are increased ?

Mr. BRODEUR. I do not give the names of those who have reached the limit. The following are recommended to be increased : Messrs. Fitzgerald and Laidman, Hamilton; Messrs. Macdonald and Finlay, Ottawa ; Messrs. Kelly and Milligan, Toronto; Mr. Heyward, Windsor; Mr. Bourget, Que.; Mr. Morin, St. Hyacinthe; Mr. Cowan, St. John; Mr. Frame, Halifax; Mr. Davey, Charlottetown; Mr. Finley, Victoria; Mr. Costello, Calgary; and Mr. Fyfe, the inspector at Ottawa.

Mr. CLANCY. That is the total increase?

Mr. BRODEUR. Yes.

Mr. LENNOX. Are the recommendations for increases in writing ?

Mr. BRODEUR. The reports made by the inspectors are in writing. These officers make reports to the department, and we can judge for ourselves whether these assistant inspectors are discharging their duties properly.

Mr. DANIEL. I wish to ask the minister, how is the inspection of gas conducted in the different cities, and what instructions are given to the officers to enable them to ascertain the quality of the gas ? According to the reports of the officers of the department, there is a great difference in the quality of illuminating gas; and the reports depend largely upon the number of inspections made. If the inspections are made daily, and the average is taken in that way, we get a fair idea of the purity or illuminating power of the gas in any one factory or city ; but if the inspection is taken only once a month or now and again, it might happen to be taken in a certain city on a day when the gas was poor, and so a false idea would be given in regard to its quality. Perhaps the hon. minister would give us an idea of how these inspections are made, how frequently, and under what regulations.

Mr. BRODEUR. The regulations were adopted many years ago, and provide that the inspection shall be made as frequently as may be necessary.

Mr. DANIEL. How often would that be ?

Mr. BRODEUR. It depends entirely on the amount of work the officers have to do in the city where it is done. I shall be glad to send a copy of the regulations to my hon. friend.

Mr. DANIEL. I think we should be informed in what way that information is gathered, because I have heard complaints made in gas factories that under the regulations adopted by the department, the public does not get a fair idea of the illuminating power of the gas from the statement issued by the department.

Mr. BRODEUR. Has the complaint ever been made to the department ?

Mr. DANIEL. Not that I know of.

Mr. BRODEUR. I never heard any complaint.

Mr. DANIEL. I might inform the hon. minister that I found that the gas company in the city which I represent was very low in the scale in regard to the quality of their gas as reported by the Minister of Inland Revenue. I asked them why they made such poor gas. They said : The gas is all right, but the report of the Minister of Inland Revenue is all wrong. I should like to know whether the method of doing the work is equitable or not.

Mr. BRODEUR. Perhaps that gas company has made a complaint to the department of the way in which it has been judged by the inspector. The matter has never been brought to my attention, but I will inquire whether any such complaint has been made.

Mr. BIRKETT. What is the salary at present received by the inspector at Ottawa?

Mr. BRODEUR. $1,400 for the chief inspector, Mr. Macdonald.

Mr. BIRKETT. Does that include the $50 increase ?

Mr. BRODEUR. That is what he is receiving to-day. He will get the $50 increase.

Mr. BLAIN. I see at page K—19 of the Auditor General's Report this item : 'legal services, A. A. Bruneau, Sorel, Quebec, $105.' What case was that ?

Mr. BRODEUR. I am not able to give an explanation to my hon. friend. I suppose it has reference to a lawsuit, but I have no details. I shall be glad to inquire and find out. It is for something that happened before I came into the department.

Mr. BLAIN. Is this a legal firm in the province of Quebec ?

Mr. BRODEUR. I do not know.

Mr. BLAIN. Will the hon. minister bring down the particulars at the next meeting ?

Mr. BRODEUR. Yes.

Mr. BLAIN. Scales are manufactured in the United States without being stamped, while scales manufactured in Canada are stamped before they are permitted to be used. Suppose a merchant in Winnipeg imports 100 of these scales, they are sold in Manitoba and the Northwest. What system of inspection does the hon. gentleman apply to them ?

Mr. BRODEUR. As soon as they are imported we are notified by the Customs Department, and then our officers inspect them where they are to be found.

Mr. BLAIN. I am informed, and am quite sure that my information is correct, that the law is fulfilled when the importer gives notice to the department that he has a certain number of scales. He can then sell them all over the country, and they are sent 50 or 100 or 200 miles away, and are sold and distributed before the inspector arrives. There are a great many scales used constantly in Manitoba and the Northwest that have had no inspection at all.

Mr. BRODEUR. I do not think there are many, because we have assistant inspectors everywhere in the country, and when some scales are imported in that way we are notified of it, and then our inspectors go and inspect them. It was suggested that these scales should be inspected at the Customs Department: but that is not very easy in the case of large scales which have to be set up.

Mr. BIRKETT. The importer is not allowed to sell them before they are inspected?

Mr. BRODEUR. No.

Mr. BLAIN. Did the hon. minister say that if a notice is given the department by the importer of scales, the importer is compelled to hold them until they are inspected?

Mr. BRODEUR. That is my impression. He should notify the department right away.

Mr. BLAIN. Nevertheless that is not done, and there is nothing in the law to allow the minister to take action against the importers. I make the statement without fear of contradiction that there are imported into the Territories and Manitoba at present scales that are not stamped, and when the importer notifies the department that he has imported those scales, he has complied with the law and may sell them before they are inspected.

Mr. BRODEUR. I have had no such case brought to my knowledge. I would be very glad if my hon. friend could give me instances where the law has been violated.

Mr. LENNOX. I think I understood the minister to say that it would be very inconvenient to inspect them at places where they were stored, as they could not be set up in those places. Very often the scales are large and have to be removed to the places where they are going to be established and set up before they can be inspected. That confirms the statement of my hon. friend from Peel, who says that the law is complied with when notice is given the department by the importer, and that the importer is then at liberty to sell. Does the minister not know what the regulations are in the matter?

Mr. BRODEUR. The regulations provide that when a scale is imported we should be notified, and then an officer is sent to inspect it. Perhaps the law is defective. Perhaps the hon. member for Peel is referring to a case brought to my knowledge the other day of somebody in the west who claimed to have notified the department that he had a scale and no inspector went up there for some time.

Mr. LENNOX. If the regulations order the importer to notify the department, then as a matter of course the minister should see that the scales are inspected. But if the regulations do not provide against the selling of the scales before inspection, would it not follow that when the importer had given the notice, he would have done all required and could go on selling at once?

Mr. BLAIN. The point is this: Suppose a merchant in Brandon imports 100 scales from Chicago. When they have passed through the customs house and are in his store, he notifies the department that they are ready for inspection. He has then complied with the law and begins at once to sell them. They will be sold and scattered for hundreds of miles all over the Territories and Manitoba before they are inspected. I say that the minister should change the law by providing that the scales could not be sold until they are inspected.

Mr. BRODEUR. The regulations provide that all manufacturers and importers should notify the district inspector of the shipments and destinations of all weighing machines which cannot be inspected until finally set up.

Mr. BLAIN. That just carries out what I have said. The importer complies with the law when he gives notice that the scales are in his place and then may go on selling them. The law should be altered so that he would not be permitted to sell them until they are inspected.

Mr. BRODEUR. Perhaps the law is not sufficient to cover the case, and I will see that Mr. Pike looks into the matter.

Mr. BLAIN. There is imported into Canada a very large number of these self-registering scales, which are to be found in the butchers' shops and grocers' stores. I am informed on very creditable authority that the United States people advertise that whoever purchases these scales may take 100 lbs. of beef, sell it in small quantities, and make five per cent. That is, they take a piece of beef and drop it on the self-registering scale. It will send the scale down to the lowest point, which is the point that registers what the consumer must pay for his beef, and the statement is made that a merchant can buy that self-registering scale, take 100 lbs. of beef or sugar, weigh it in small quantities, and he will make from three to five per cent. Our law does not permit these scales to be manufactured for the reason I have mentioned;

but if we do not permit their manufacture, we should not allow them to be imported, more particularly if they are sold under the advertisement to which I have drawn attention.

Mr. BRODEUR. No doubt we should not permit the importation and use of those scales, and I am sure that my officers absolutely refuse to inspect them. In some cases I think we ordered that they should be re-exported.

Mr. BLAIN. Where were those?

Mr. BRODEUR. I think in the west.

Mr. BIRKETT. No scale can be used unless registered. The scale has to be inspected and stamped before you can use it. Scales coming into Canada, if not stamped, are rejected.

Mr. BRODEUR. Yes.

Mr. CLARKE. My hon. friend from Peel says that if inspections are made before the scales are sold by the importer, the customs would have control and the work be done satisfactorily; but in one case 100 scales were purchased, and without having been inspected or adjusted they were sold and are being used. This is a very serious matter, especially if the statement can be made good that an inducement is held out to the dealers by advertising that these scales are so unfair and fraudulent that the consumer is not getting what he pays for. It is a very serious matter, especially in the sparsely settled districts if fraudulent scales are permitted to pass from the importer to the retailer.

Mr. BRODEUR. Perhaps we could inspect these scales at the customs office; but, as I said a minute ago, I suggested this myself and I was told that it could not be very easily done. And I think the only way is that which we have adopted,—to learn where these scales are in use and inspect them there. And if it is found that these scales are not in accordance with our laws the parties receive instructions to re-export them.

Mr. BLAIN. I agree with the minister on that point. But how is the inspector to find out where the scales are, if they are sold to different men using them in distant parts of the country?

Mr. BRODEUR. Our inspectors go everywhere throughout the country and find these scales. And, if the scales are not right they are destroyed or re-exported. I am sure that in one case, at least, that has been done.

Mr. BLAIN. But the hon. gentleman will not say that his inspectors can go to every farm house all over Canada to test the scales. That is not their duty. Or, perhaps I may be wrong in that; but, I understand that they only inspect scales used by merchants.

Mr. BRODEUR. If a man uses scales only for himself we do not care much. The Weights and Measures Act is made specially for the protection of the public. We inspect every two years the scales that are in use by dealers.

Mr. LENNOX. Surely the minister is not serious in saying that if a farmer gets a scale and has it in use on his farm, the department does not care whether it is inspected or not.

Mr. BRODEUR. The hon. gentleman (Mr. Lennox) will understand that it is a much more serious matter where the scale is used by a dealer in his business. We have to protect the public against fraud by the use of unfair scales.

Mr. CLARKE. It seems to me that the suggestion of the hon. member for Peel (Mr. Blain) is a good one and would expedite business—that those scales should be inspected before they are distributed.

Mr. BRODEUR. That can be done with small scales, but large scales have to be set up before they are used, and cannot be inspected until they are set up.

Mr. CLARKE. But, in the case of the importation of a quantity of scales, they are not likely to be of that character. They are likely to be small scales that could be inspected before they are distributed. It might be made a regulation that they must be inspected and stamped before they are distributed.

Mr. BRODEUR. That is done now. The importers in Montreal, for instance, notify our inspector of an importation, and the inspectors inspect the scales.

Mr. BLAIN. There is another matter I wished to speak about, and that is as to the inspection of self-registering scales, that are imported, the spring scale. The hon. gentleman will not allow the Canadian manufacturer to manufacture these scales.

Mr. BRODEUR. Are not these special scales re-exported to the United States?

Mr. BLAIN. No, they are in use. I speak of the self-registering scales imported from the United States. Are they stamped by the department before they are allowed to go into use?

Mr. BRODEUR. Yes, they are inspected before being used.

Mr. BIRKETT. But there is a spring scale made that will not bear stamping. Every time you use it the spring gets weaker. These have been rejected by the department. There is a spring scale made, however, that will bear stamping. The law, to my mind is very clear. All importers are supposed to notify the department as soon as they receive scales, and after the scales are in position they can be inspected. The importer is not allowed to sell them until

they are inspected. Whoever sells them notifies the department telling of the party to whom they are sold, and the local inspector looks them up and inspects them.

Mr. BLAIN. This is an important question. Almost every farmer in Ontario has a scale upon his premises. Is it the duty of any inspector whose salary we are voting to visit farm houses, to inspect the scales or find out if they have been inspected ?

Mr. BRODEUR. Everywhere where scales can be used in dealing with the public they are inspected.

Mr. CLARKE. I would like to have an explanation from the minister, not necessarily to-night, but before the items for his department are all passed, as to the rule adopted in fixing the salaries of the chief inspectors in Montreal, Toronto, Quebec, Ottawa and Halifax. If I understood the statement of the minister correctly, with the increases that have been given, the salary of the inspector at Montreal will be $1,650, that of the inspector at Toronto $1,350, that of the inspector at Ottawa, $1,450, that of the inspector at Quebec $1,250, and that of the inspector at Halifax $1,050. I presume that these are all efficient officers and that they are fully employed. Upon what scale are these salaries adjusted ?

An hon. MEMBER. Spring scale.

Mr. BRODEUR. I suppose it is by length of service, because I see that the inspector for Montreal whose salary is $1,650 was appointed in 1881. The inspector for Toronto whose salary is $1,350 was appointed in 1900.

Mr. CLARKE. Who is he ?

Mr. BRODEUR. Mr. Kelly.

Mr. CLARKE. When was the inspector for Ottawa appointed ?

Mr. BRODEUR. He receives $1,450. He was appointed in 1886.

Mr. J. D. REID. Are the inspectors entitled to any fee for inspecting scales ?

Mr. BRODEUR. They have to render an account to the department of all the fees they collect. They are simply paid by salary.

Mr. J. D. REID. For instance, those who inspect scales charge fees and travelling expenses.

Mr. BRODEUR. In some cases fees and travelling expenses are charged to those who ask for a special inspection to be made. But they have to return all that money to the department.

Rent, fuel, travelling expenses, postage, stationery, &c., for gas and electric light inspection and the purchase and repairs of instruments, $12,000.

Mr. BRODEUR. I understand that this whole item 247 is passed.

Mr. BIRKETT.

Mr. CASGRAIN. With the understanding that the question of the Metric system will be discussed on another item ?

Mr. BRODEUR. Yes.

Some resolutions reported.

ADJOURNMENT—BUSINESS OF THE HOUSE.

Hon. W. S. FIELDING moved the adjournment of the House.

Mr. CASGRAIN. What business does the hon. gentleman intend to take up tomorrow ?

Mr. FIELDING. There are a number of minor Bills which will be taken up, except the Militia Bill. After that, if we have time to go into supply, we will take Inland Revenue, to be followed by Agriculture.

Motion agreed to, and House adjourned at 1.40 a.m., Thursday.

HOUSE OF COMMONS.

THURSDAY, June 2, 1904.

The SPEAKER took the Chair at Three o'clock.

PROHIBITION OF CIGARETTES.

Mr. W. S. MACLAREN (Huntingdon) moved for leave to introduce Bill (No. 128) to prohibit the importation, manufacture and sale of cigarettes.

Some hon. MEMBERS. Explain.

Mr. MACLAREN. I do not think much explanation is necessary at this stage of the Bill. When the resolution in reference to the prohibition of cigarettes was debated in this House, out of thirteen who spoke nine hon. gentlemen were in favour of the legislation ; two thought that the cigarettes were an evil, but that the method proposed was not the best remedy ; and one, the youthful member for Montmagny (Mr. Lavergne), was strongly in favour of cigarettes, and informed us that though he had smoked them from ten years of age he was nothing the worse of it. I thought the junior member for West Toronto (Mr. Osler) was going to follow in his footsteps, but he switched off from cigarettes and attacked our farmers' wives for not being good cooks and thus causing indigestion. He told us that he was not a member for a rural constituency, but I fancy every one knew that, because if he were he would have known better. In view of the debate that has taken place, I do not think it is necessary that I should give any further explanation.

Mr. DAVID HENDERSON (Halton). I desire to remind the hon. member for Huntingdon that my recollection is that the junior member for West Toronto (Mr. Osler) was

endorsed by the Prime Minister very largely in what he did say.

Sir WILFRID LAURIER. Oh, I did not attack the farmers' wives.

Motion agreed to, and Bill read the first time.

QUESTIONS.

CROOKED LAKE RESERVE, N.W.T.

Mr. W. J. ROCHE asked :

Is it the intention of the government to open up Crooked Lake reserve, N.W.T., or any part thereof, for settlement ?

Hon. CLIFFORD SIFTON (Minister of the Interior). Before any portion of the Crooked Lake reserve could be disposed of, it would have to be surrendered by the Indians, which has not yet been done. The question as to obtaining a surrender of a portion of the reserve has received some consideration from the department, but as yet no surrender has been obtained.

DUTIES ON RAW LEAF TOBACCO.

Mr. CLANCY asked :

What amount of customs duties were collected on raw leaf tobacco for the fiscal year ending June 30, 1903 ?

Hon. L. P. BRODEUR (Minister of Inland Revenue). The duties on raw-leaf tobacco are collected by the Inland Revenue Department. During the fiscal year referred to the duties so collected amounted to $1,249,569.17. A sum of $96 has been also collected by the Customs Department for duties on samples of foreign raw leaf tobacco.

DOMINION STEEL COMPANY—STRIKE AT SYDNEY.

Mr. R. L. BORDEN (Halifax). Before the Orders of the Day are called, I wish to ask the government whether or not they have taken any steps with regard to the strike inaugurated at the works of the Dominion Iron and Steel Company at Sydney, in my province ? As the government is no doubt aware, the works of this company are of the greatest possible importance to the town of Sydney, which is now a large community of some 12,000 or 14,000 people, although ten or twelve years ago it was a village of only 2,000 or 3,000 population. The interests of the town and of the people who reside there are bound up very largely in the prosperity of this company, and of the Dominion Coal Company. I understand from press reports that about 1,800 men have gone on strike and that the works of the company are closed down, and are likely to be closed down for an indefinite period. This would seem to be a special occasion when the intervention of the government is demanded ; the results of this strike may be that five or six thousand people will leave the province of Nova Scotia and endeavour to find homes in the United States.

It is therefore of the utmost possible importance that everything in the power of the government should be done for the purpose of bringing the strike to an end and of causing the company to resume its operations. I do not know whether the government has taken any steps tending towards intervention, but I have been informed that the Board of Trade of Sydney has sent a communication to the government by telegraph, asking that some such steps be taken. My information did not come from the board of trade itself, but from another quarter, and I thought it a sufficiently important matter to bring to the attention of the government at once. I should be glad if the right hon. gentleman, in the absence of the Minister of Labour, would give the House any information as to what the government has done or what it proposes to do, with respect to a matter of such very great importance, not only to the interests of Sydney, but to the whole province of Nova Scotia, and I may say to the whole Dominion.

Hon. W. S. FIELDING. Mr. Speaker, I join with my hon. friend the leader of the opposition in recognizing the very great importance of the matter to which he has referred, and I assure the House that if, by the intervention of the Minister of Labour or in any other way, the government, by the exercise of its friendly offices, can bring about a better understanding between the company and the workmen, it will be both our duty and our pleasure to do so. The strike, as the hon. gentleman has intimated, is one of recent hours, and has only now taken definite effect. The communication to which he has referred has been received by the Department of Labour, and the matter is now engaging the minister's attention. It is not possible at the present moment to indicate in what way the Department of Labour or the government may intervene ; but I assure the hon. gentleman that we appreciate the importance of the matter, and we shall be glad to do anything we can, by friendly intervention or in any other way, to bring about a solution of the difficulty.

INQUIRY FOR RETURNS.

Mr. A. A. LEFURGEY. Mr. Speaker, I wish to call attention to the fact that on several occasions when I have had questions on the order paper, I have been asked to put them on the motion paper. In several instances I have complied with this request. I had a question on the order paper yesterday, the answer to which involved very little trouble on the part of the minister to whose department it belonged, and I was asked to move for a return. I have had some experience in moving for returns. As I pointed out yesterday, I moved for a return on the 25th of April, and I have not received the in-

formation yet. At this stage of the session, when these motions are not likely to be reached, I think it is not fair to ask me to put on the motion paper a question which involves no more trouble than the one I had on the order paper yesterday. I would like to ask the First Minister to have that question replaced on the order paper, and the answer given to it.

Sir WILFRID LAURIER. My hon. friend says that he moved for some papers on the 25th of April. Does he refer to the papers in connection with the Murray Harbour works ?

Mr. LEFURGEY. Yes.

Sir WILFRID LAURIER. Well, the notice of motion was made on the 25th of April, but my hon. friend did not move for the papers until the 31st of May. When my hon. friend called my attention to the matter on that day, I immediately wrote to the Department of Railways, and I was informed as follows :

Upon inquiry I find the only returns in connection with the Murray Harbour works and the Hillsborough bridge were moved for by Mr. Hackett, on the 25th April. One has gone forward to the Secretary of State, and the other is being prepared.

In looking up the Votes and Proceedings, I find an order of the House was passed yesterday for a return asked for by Mr. Lefurgey, and this only reached the department this morning. It will be prepared as quickly as possible as it will be necessary to send to Moncton for the information.

Mr. LEFURGEY. I would like to correct the right hon. the First Minister. I did move for some returns on the 31st of May, but they were not the same as those I moved for on the 25th of April.

Sir WILFRID LAURIER. Yes, I know. Those were moved for by Mr. Hackett.

Mr. LEFURGEY. The first was moved on the 25th of April.

GRAND TRUNK PACIFIC RAILWAY—EMPLOYMENT OF ALIENS COMMISSION.

Mr. R. L. BORDEN. I asked the government yesterday for some information respecting the employment of counsel in connection with the commission issued to Judge Winchester.

Sir WILFRID LAURIER. I am sorry to say I cannot give an answer to my hon. friend to-day. I have not been able to see the Postmaster General since yesterday, as he has been out of town.

Mr. E. F. CLARKE. May I ask the premier if any steps are being taken to procure a full report of the evidence being taken before His Honour Judge Winchester?

Sir WILFRID LAURIER. I cannot say as to that. I have to give my hon. friend the same answer as I have given to the hon. leader of the opposition : I have not seen the Postmaster General since yesterday.

BOUNTIES ON LEAD.

Bill (No. 127) to amend the Act providing for the payment of bounties on lead contained in lead-bearing ores mined in Canada (Sir Richard Cartwright), was read the second time, and House went into committee thereon.

On section 1,

1. Section 5 of chapter 31 of the statutes of 1903, intituled : 'An Act to provide for the payment of bounties on lead contained in lead-bearing ores mined in Canada,' is repealed, and the following is substituted therefor :—

5. Payment of the said bounty may be made on all such lead-bearing ores mined in Canada and delivered at a smelter in Canada on or after the first day of July, one thousand nine hundred and three ; and the said bounties shall cease and determine on the thirtieth day of June, one thousand nine hundred and eight.

Mr. R. L. BORDEN. The hon. gentleman promised us some information as to the comparative results.

Sir RICHARD CARTWRIGHT. The amount paid appears to have been $51,000, which represents 60 per cent of the claims allowed. Of course, a considerable number of claims are pending, and some will be dealt with under the provisions of this Act when it is passed. I have been endeavouring to ascertain whether I could get full information for the hon. gentleman, but I find that it is scarcely in our power to ascertain what was done during past years. The officer in charge thinks there has been a considerable development, but he is not in a position to obtain full details, as the Act has been in operation only a few months, and he has nothing to guide him as to what was done in former times except his personal knowledge of what was going on.

Mr. WILSON. Can the minister tell us who is appointed to look after this matter ? I understand you have an official in British Columbia at a salary of $2,500 and expenses. Is there just one officer ?

Sir RICHARD CARTWRIGHT. That is all we have found necessary at present.

Mr. WILSON. Kindly give his name and salary, and the expenses incurred thus far.

Sir RICHARD CARTWRIGHT. His name is Buchanan. His salary is $2,500 and actual expenses incurred in carrying out the regulations of the Act.

Bill reported, read a third time and passed.

PILOTAGE ACT AMENDMENT.

Bill (No. 100) to amend the Pilotage Act.—(Mr. Préfontaine) was read the second time and House went into Committee thereon.

Mr. PREFONTAINE. The Bill is very short as hon. gentlemen will see. Last year a Bill was introduced placing the pilots between Montreal and Quebec under the authority of the Minister of Marine and Fisheries. It was done at the request of the pilots, the boards of trade and the Harbour Commissioners of Montreal and Québec. In the Bill there was a clause by which the district of Saguenay was put under the control of the Minister of Marine and Fisheries as regards pilotage, but the Bill did not go far enough in conferring authority on the Minister of Marine to control entirely the pilotage of the Saguenay river, and when it became necessary to prepare rules for the pilotage of the Saguenay river, we considered that we had not sufficient powers. A commission was appointed in Chicoutimi to supervise the pilotage of the river, but the authority of the pilotage itself does not reside in the Minister of Marine and Fisheries, and we think it is in the interest of navigation that it should be. Hon. gentlemen will remember that last year a very serious accident occurred on the Saguenay. A boat was wrecked in broad daylight by an incompetent pilot, and as the river is difficult to navigate, it requires special pilots with special knowledge of the locality and these pilots should be examined under the proper authority of the Department of Marine, so as to have men properly qualified to pilot in the Saguenay. It is not the intention to take other pilots but those of the district of Quebec. It is the intention of the department to take power to examine pilots for the district of Quebec and to see that they are qualified.

Mr. CASGRAIN. I quite agree with the hon. gentleman when he says the Bill is short, but not when he comes to give us the meaning of the Bill. It is much more comprehensive than would appear from the explanation he has given. The pilotage auauthority in each district is not only the authority which chooses the pilots, but is also the tribunal instituted for trying pilots. Now, this may be a very important tribunal. For instance, in the case the hon. minister has mentioned, the grounding of the steamer, the pilot, who was at fault, was tried and suspended for quite a long time. A pilot can be suspended for his lifetime by the pilotage authority, which can impose a most severe sentence upon a pilot even to the extent of taking away his branch as it is called, or his license, thereby depriving him of his means of livelihood. I am sure it is not the intention of my hon. friend the Minister of Marine and Fisheries to constitute himself a tribunal to try pilots, for instance in Quebec, but the Bill which is now before the committee gives him that power. If, as he says, this law is only for the district of Saguenay, he should say so, but surely this committee is not going to give my hon. friend the power to constitute himself a tribunal to try these most important cases. The corporation of pilots for and below Quebec is a most important corporation ; they are men who have been obliged to go through a long course of studies to become pilots. The apprenticeship of a pilot is seven years. After he serves seven years he is admitted as a branch pilot, but in case the number of pilots is 125, he may be obliged to remain in apprenticeship for a number of years longer. These men are from their training capable of being pilots and of being pilots only. Such a man cannot do anything else to earn a livelihood in the ordinary course of things, and if an accident occurred for which he is held responsible, he can, according to this Bill, be tried by one man, the Minister of Marine. I think this is putting in the hands of the Minister of Marine, a power which this House would be very loath to confer. The fact of the matter is that the tribunal is just as important a tribunal as any of the superior courts that sit in Quebec. I am sure it is not the intention of my hon. friend, but if it is not, he should amend the Act so that it would preclude his being able to become that pilotage authority in the sense of being able to try offences laid at the door of a pilot. I would ask my hon. friend to make this clear. There are several members of parliament who have pilots among their constituents, and I am sure they will take a lively interest in this Bill, which although it is short, may have the most important possible influence on the pilots, both in the district of Quebec and of Montreal.

Mr. PREFONTAINE. The Bill puts the pilots under the control of the Department of Marine, when it seems to be in the interest of navigation that this should be done, and I do not see what harm there is in having the proper authorities to investigate accidents that may happen in the St. Lawrence or elsewhere. It is a matter of judgment whether it would be better in the hands of the Department of Marine or in the hands of the Harbour Commission.

In proposing this Bill I am supported by the pilots themselves, for they accept this Bill as being in their interest, in this way, that they think that they will pass better examination and will offer more security for the maritime interest. So I am not afraid at all for the consequences of the Bill. It has a large scope but its powers can only be exercised, as I pointed out and as provided by the Bill, by Order in Council, based on serious reasons for doing so. The Department of Marine and Fisheries is not interested at all in depriving people generally of their rights ; quite the contrary. But the hon. member for Montmorency (Mr Casgrain) knows perfectly well the complaints that have existed against the pilots. We are trying to improve the guarantee the pilots offer to navigation, and it is by taking the necessary precautions and improving the examinations passed by these gentlemen that the corporation of pilots themselves will be

more respected and will inspire greater confidence. I repeat there is no objection on the part of the pilots—quite the contrary; and I think it is a measure directed in the interest of the navigation and of the public generally.

Mr. R. L BORDEN (Halifax). What is the idea of making this Bill so comprehensive? I understand from the hon. minister (Mr. Prefontaine) that the special design is to effect some reform in the district which embraces the river Saguenay. But the Bill is so comprehensive that it would enable the hon. gentleman to assume the supervision of pilotage in the port of Halifax if he desired to do so.

Mr. PREFONTAINE. That is not the intention.

Mr. R. L. BORDEN. I am not talking about the intention, but the scope. I want the power given to correspond with the intention. If the intention is to do a certain thing, there is no reason for making the power more comprehensive. If the hon. gentleman is merely trying to carry out the intention he has announced, he has gone very wide of the mark and has included a great deal more than he speaks of. In undertaking to cover one district he has covered the whole Dominion. His aim has not been very good. In any case, I do not see how this Bill would be workable, so far as the port of Halifax is concerned. Suppose you supersede the pilotage authorities of Halifax, St. John or Sydney, how would the department propose to carry on the work? No machinery is provided. It is not worth while to pass Acts that are incomplete or useless. Let us do either one thing or the other—either confine this statute to what the hon. gentleman says is the intention of the government, or, if we go beyond that, make a provision that is workable not only on the river St. Lawrence but in the maritime provinces. I think that on the whole, the pilotage authorities of the maritime provinces have worked with a fair degree of satisfaction and have given efficient service. I would not favour passing a statute in this comprehensive form unless I knew some reason why a statute going so far beyond the declared intention of the government is sought by the minister.

Mr. PREFONTAINE. I do not see the force of the objection. The objection seems to me that according to this Bill there is no machinery provided. But the Bill does not provide the machinery, for that is already provided in the Pilotage Act. We are only amending the way in which the machinery can be applied.

Mr. R. L. BORDEN. The hon. gentleman (Mr. Prefontaine) misunderstands me. That is the minor objection. The chief objection is that this is too comprehensive and goes beyond the intention of the government.

Mr. PREFONTAINE. The intention of the government is simply this: Whenever it is in the interest of navigation that the pilotage authority should reside in the Department of Marine and Fisheries, it shall be so provided by Order in Council, and, from that time for the waters referred to in that Order in Council, the pilotage authority shall rest in the Minister of Marine and Fisheries. What objection can there be to that? I have not heard any complaints about the pilotage in Halifax or St. John. But suppose that to-morrow—

Mr. CLARKE. Why not leave them alone?

Mr. PREFONTAINE. I do not touch them.

Mr. CASGRAIN. The hon. gentleman does by his Bill.

Mr. PREFONTAINE. I do not.

Mr. CASGRAIN. Oh, pshaw!

Mr. PREFONTAINE. Suppose that to-morrow the Harbour Commissioners of Halifax should decide on some rules that would not be in the interest of navigation.

Mr. R. L. BORDEN. Well?

Mr. PREFONTAINE. Then the department would be obliged to wait for another session in order to bring in a Bill to correct that state of affairs.

Mr. R. L. BORDEN. I should have thought that the hon. gentleman (Mr. Prefontaine) knew more about his department than that. If he is at all familiar with the statutes he must know that these regulations have no effect until they are approved by the Governor in Council.

Mr. PREFONTAINE. But suppose they do not apply the regulation. Suppose, for instance, the examinations they give the apprentice pilots are practically no examination at all.

Mr. R. L. BORDEN. Then, I would dismiss them.

Mr. PREFONTAINE. This year, since we took over the pilotage of Montreal district, we have applied different rules for the examination than formerly existed. The examinations the pilots used to pass were obsolete and did not afford the necessary guarantee for the efficiency of the pilots. We have changed these rules and are trying to give a system of pilotage that will be as efficient as possible. It is only by taking it in hand when the necessity arises that we can hope to make the system work properly and effect due improvements in the pilotage service.

Mr. CASGRAIN. I must say that it seems to me from what my hon. friend (Mr. Prefontaine) says and from reading the Bill, that this Bill is brought before the committee without due consideration having been given to it by the Minister of Marine

and Fisheries (Mr. Prefontaine). Either he does not understand the Bill, or he does not know anything about the law he seeks to amend. Now, this is a most important Bill and one which, to a great extent, affects the liberty of the subject. It is more far-reaching than my hon. friend seems to think.

Mr. PREFONTAINE. No.

Mr. CASGRAIN. The hon. gentleman (Mr. Prefontaine) is showing most glaring ignorance of a most important Bill the carrying out of which is the duty of his department. What is the pilotage authority for instance, for the Quebec district ? The Quebec Harbour Commissioners ? The Pilotage Act, chapter 80, of the Revised Statutes of Canada, section 15, provides :

15. Subject to the provisions of this Act, or of any Act for the time being in force in its pilotage district, every pilotage authority shall have power, from time to time, by by-law confirmed by the Governor in Council, to do all or any of the following things within its district, that is to say :—

To determine the qualifications of pilots ; to make regulations respecting pilot boats ; to aid companies for the support of pilot boats ; to grant licenses and certificates ; to make regulations as to licenses and certificates ; to make regulations for the government of pilots; to make rules for punishing breaches of regulations ; to fix and alter pilotage dues ; compulsory retirement of aged pilots ; and of infirm and intemperate pilots ; decision of disputes about pilotage ; to establish and regulate pilot funds, except in Quebec and Montreal districts.

Now, that is very important, but it is not half so important as the other sections of this Act. When we come to the offices of pilots what do we see ? Section 73 of the Act says :

73. Every licensed pilot who, either within or without the district for which he is licensed,—

(a.) Commits any fraud or offence in respect to the revenues of customs or inland revenue or the laws relating thereto ;

(b.) Is in any way directly or indirectly concerned in any corrupt practices relating to ships, their tackle, cargoes, crews or passengers, or to persons in distress at sea or by shipwreck, or to their moneys, goods or chattels ;

(c.) Lends his license ;

(d.) Acts as pilot whilst suspended ;

(e.) Acts as pilot when in a state of intoxication ;

(f.) Employs or causes to be employed on behalf of any ship of which he has the charge, any steamboat, boat, anchor, cable, or other store, matter or thing, beyond what is necessary for the service of such ship, with the intent to enhance the expenses of pilotage for his own gain, or for the gain of any other person ;

(g.) Refuses or delays, when not prevented by illness or other reasonable cause, to take charge of any ship within the limits of his license, upon the signal for a pilot being made by such ship, or upon being required so to do by the master, owner, agent or consignee thereof, or by any officer of the pilotage authority of the district of which such pilot is licensed or by any principal officer of customs, subject always in the case of a pilot for and below the harbour of Quebec, to the laws relating to the corporation of pilots for and below the harbour of Quebec ;

(h.) Upon being so signaled or required, attempts to make any special bargain for salvage ;

(i.) Unnecessarily cuts or slips, or causes to be cut or slipped, any cable belonging to any ship ;

(j.) Refuses, when requested by the master to conduct the ship on board of which he is into any port or place into which he is licensed to conduct the same, except on reasonable grounds of danger to the ship ; or—

(k.) Quits the ship which he has undertaken to pilot, before the service for which he has hired has been performed, without the consent of the master,—

Shall, for each offence, in addition to any liability for damages, be liable to a penalty not exceeding two hundred dollars, and suspension or dismissal by the pilotage authority of the district for which he is licensed ; and every person who procures, abets or connives at the commission of such offence shall, for each offence, in addition to any liability or damages, be liable to a penalty not exceeding two hundred dollars, and if he is a licensed pilot, to suspension or dismissal by the pilotage authority of the district for which he is licensed.

Now my hon. friend would attribute to himself the power of trying these offences. I admit my hon. friend is a lawyer, I admit he is probably as capable of trying these offences as an ordinary police magistrate would be, or probably as competent as would be the pilotage authority, for instance, of the pilotage district of Quebec. But is my hon. friend, in the political position which he occupies now, going to take upon himself to try these offences and to impose a fine of $200 on any pilot who makes himself liable under the law ? I say that the hon. gentleman could not take that position, occupying the political position which he does, unless he is going to become a judge to try these very important cases, and to impose fines upon those who render themselves guilty of the offences in question.

Mr. PREFONTAINE. I would remind my hon. friend that at the present time that authority has been conferred upon me by the pilots themselves, by the boards of trade and the shipping interests.

Mr. CASGRAIN. I do not like to controvert the statement of my hon. friend, but I think it would be most extraordinary if the pilotage authority and the pilots of the district of Montreal had put these enormous powers in the hands of my hon. friend. But even if he has those powers for the pilotage district of Montreal, I say that so far as I am concerned I protest most emphatically against his taking these great powers for the pilotage district of Quebec. But that is not all. Section 98 of the Pilot-

age Act provides with regard to investigations :

The pilotage authority for any district shall, in all cases of inquiry or investigation made by them under this Act, or under any other Act or law, have full power to examine any person appearing before them to give evidence in cases on oath ; and such oath may be administered by any member of such pilotage authority present at such inquiry or investigation.

99. Whenever any ship sustains damage through the fault of any branch pilot for and above the harbour of Quebec, the pilotage authority of the pilotage district of Montreal may, in its discretion, and upon such information as it deems expedient, and with or without complaint by any person, investigate the matter and declare the branch of such pilot forfeited.

And this provision exists for the pilotage district of Quebec also. My hon. friend says power has been given to him by parliament in the district of Montreal. It has not been given to him in the district of Quebec. Now what are the penalties ?

100. When any ship meets with any accident by reason of the fault of and while in charge of a pilot for and below the harbour of Quebec, the master, owner or consignee thereof, or other interested person may submit his complaint in respect thereto at any time thereafter, and the pilotage authority——

That would be my hon. friend.

—of the pilotage district of Quebec may, upon such information as it deems expedient, and with or without complaint by any person, investigate the matter and declare the branch of such pilot forfeited :

Thereby taking away from the pilot for all time to come his means of earning a livelihood, this man who has made sacrifices to qualify himself as a pilot, who has served a long apprenticeship for that purpose, and upon judgment rendered against him by my hon. friend he may forfeit his branch or his license and be absolutely debarred from earning his livelihood in the avocation for which he has qualified himself.

Provided, that in the case of inward bound ships, no investigation shall be had after the expiry of thirty days——

And so forth. There are other penalties which are imposed by this Act and which are triable by the pilotage authority. Now I am confining myself more particularly to the pilotage authority of the pilotage district of Quebec. Let us see what safeguards the law has given to the pilots in the district of Quebec. The pilotage authority for the district of Quebec is the harbour commissioners of the harbour of Quebec. But when they sit as a tribunal to try these very serious offences for which these rigorous and severe penalties may be inflicted upon the pilots, it is enacted in the law that the president of the corporation of pilots shall be a member of the board ; so that the corporation of pilots is represented upon that board by a man who is perfectly competent to judge of the case, to investigate the matter, and to decide whether the pilot who is accused has made himself liable to punishment under the law. Now I leave it to my hon. friend himself. When he came before the committee a little while ago with this Bill and explained it to the committee, he confined his remarks almost entirely to the pilotage district of the Saguenay river which was created by the law which he had passed by this House last year. But when you come to examine the law itself it is not at all in keeping with my hon. friend's explanations, and this shows clearly that the department never did intend to make my hon. friend the pooh-bah of the pilotage district anywhere. They did not intend, he himself or his department did not intend, to vest the Minister of Marine and Fisheries with these enormous and exorbitant powers to sit as a court and try these men for offences for which they may be deprived of their branch or license. Now I appeal to my hon. friend's fairness. He may not always be the Minister of Marine and Fisheries. Probably some one else will succeed him some day who will not be so competent to try these offences. As I have said, my hon. friend is a distinguished member of the bar, but even then, I do not know that he would be in a position to sit as an investigating magistrate or as a pilotage authority to make this investigation and to pronounce upon the guilt or innocence of the pilot. But supposing a layman were put in his place, supposing a gentleman who has not had the legal training of my hon. friend be appointed Minister of Marine and Fisheries, although he may be perfectly capable in a political sense of occupying the position my hon. friend occupies to-day, will my hon. friend say that such a man should be vested with the enormous powers of sitting as a court or sitting as a tribunal to try these offences, and not only of condemning these pilots to a fine but also to imprisonment, and condemning them to lose their branch or their license for the rest of their days ? Now I have no objection to my hon. friend taking the powers which he himself says it is his intention, or the intention of the department, to take, that is, of doing the things which he has mentioned. But I call the attention of the members of the committee to this fact, that the Bill which my hon. friend has now before the House is far reaching in its effects, it is most important, it is one of the most important Bills probably that will come before this House affecting the interests of a large class of people, people who have just as much right to the protection of this committee and of this House as any other class of men in the country. Would my hon. friend wish to try such offences as these by a tribunal composed of an ordinary justice of the peace, for instance, an ordinary police magistrate, who knows nothing of navigation, who knows nothing about the risks these men

run, and noth'ng about the handling of ships ? Will my hon. friend say that is right. If my hon. friend will confine the terms of his measure within the explanations which he gave to this committee, well and good. But if my hon. friend says that he is going to give himself by this law the powers which are to-day vested under the Revised Statutes of Canada in the pilotage authority of the district of Quebec, then I enter my most solemn protest, and I must say that this law will certainly not pass until I have had an opportunity of getting it amended.

Mr. GEOFFRION. I do not quite agree with the hon. gentleman (Mr. Casgrain) who has just taken his seat. In interpreting this Bill he seems to think that the hon. Minister of Marine and Fisheries will be placed in the position of being the sole judge. The hon. gentleman knows that the pilotage authorities in Montreal and Quebec consult with some of the pilots. They avail themselves of the experience of two or three or more of the pilots. Any pilots who have a knowledge of navigation and who are experienced may be consulted by the pilotage authorities.

Mr. CASGRAIN. Will my hon. friend (Mr. Geoffrion) allow me ? My hon. friend is absolutely astray in so far as the pilotage district of Quebec is concerned. The board is composed by law of the harbour commissioners of Quebec and the president of the pilots is one of the members of the board. The composition of the board is fixed by law and you cannot take in any more pilots.

Mr. GEOFFRION. Very well, but does the hon. gentleman pretend that they have not the right to consult any of the pilots?

Mr. CASGRAIN. Decidedly I do say so.

Mr. GEOFFRION. I have known instances in Montreal and Quebec where they have consulted three or four of the pilots. The pilotage authority is frequently composed of men who have no experience whatever. They are merchants in Quebec and they generally consult with pilots, with men of experience and with lawyers ? I think it is proper that the authority in regard to pilotage should be vested in the Minister of Marine and Fisheries. If anything important occurs is the Minister of Marine and Fisheries not the proper person to see that a remedy is provided ? In the same way if anything goes wrong in the courts in any province of the Dominion, the Minister of Justice sees that a proper remedy is provided.

Mr. R. L. BORDEN. The analogy which my hon. friend (Mr. Geoffrion) suggests works out in this way that if you brought all the courts of the country under the authority of the Minster of Justice he would try everything himself ?

Mr. GEOFFRION. Not at all. I understand that this Bill means that the Minister of Marine and Fisheries will be the authority to whom we shall apply if any of the boards, at Quebec, Halifax, St. John and Montreal are doing anything wrong.

Mr. HAGGART. He has the right himself to try cases. He supersedes the boards.

Mr. GEOFFRION. Yes, but he has the power to consult with the boards themselves. He has the right to consult the pilots just the same as the boards have. That is the way I understand the Bill. It reads as follows :

> Notwithstanding anything in the Pilotage Act, the Governor in Council may, when it appears to him to be in the interest of navigation, appoint the Minister of Marine and Fisheries to be the pilotage authority for any pilotage district, or for any part thereof ; and the minister shall thereupon supersede the then existing pilotage authority for that district or part of a district.

Does it really mean that the minister shall be himself the pilotage authority sitting as a judicial authority ?

Mr. HAGGART. Yes.

Mr. CASGRAIN. Yes.

Mr. R. L. BORDEN. He is over every person ?

Mr. PREFONTAINE. No.

Mr. GEOFFRION. The functions of the pilotage authorities in Quebec and Montreal are divided. In addition to the pilotage authority they have judicial powers. Perhaps I am not interpreting this Bill as it should be interpreted, but I think that the hon. minister by this Bill does not take it upon himself to sit alone as a judicial authority.

Mr. TALBOT. In answer to the objections that my hon. friend from Montmorency (Mr. Casgrain) has raised against the actual proposition of my hon. friend the Minister of Marine and Fisheries I may tell my hon. friend from Montmorency that I am somewhat interested in this Bill from the fact that a great number of the pilots of Quebec live in my county.

Mr. CASGRAIN. How many ?

Mr. TALBOT. The only objection that the pilots of Quebec have to the change of authority is, and I had a conversation with the president yesterday about it—he was in Ottawa—that under the new authority probably the pilots of Quebec will not be treated with so much leniency as they are now. That is their only fear. I do not think my hon. friend can name one member of the harbour commission of Quebec outside of the president of the corporation of pilots, who is an ex-officio member of the board, who knows anything about pilotage or about the river St. Lawrence.

Mr. R. L. BORDEN. I do not know how it is in Quebec, but in the maritime provinces I think the boards are composed partly of merchants and partly of men who have practical experience. I can recall that at the present time at least, two men, perhaps three, on the board of pilot commissioners in Halifax are retired master mariners of great experience. I think this is a practice which prevails in the lower provinces almost universally. But, referring for a moment to the observations of my hon. friend from Chambly and Verchères (Mr. Geoffrion) I wish to say that it does not seem to me that there can be any doubt as to the meaning of this amendment.

The Governor in Council may, when it appears to him to be in the interest of navigation, appoint the Minister of Marine and Fisheries to be the pilotage authority for any pilotage district, or for any part thereof; and the minister shall thereupon supersede the then existing pilotage authority for that district or part of a district.

Can there be any doubt about the meaning of that? The pilotage authority has functions of different characters. It has administrative functions; it has judicial functions. In respect to every function it can exercise under the law it is to be superseded by the minister under the terms of this statute. I do not think my hon. friend will disagree with that proposition. I do not see how he can disagree. Is that a wise provision to make in regard to every pilotage authority throughout Canada? My hon. friend the Minister of Marine and Fisheries has made an argument about one pilotage district—the Saguenay district—about which I profess to know very little, but as to the other pilotage authorities in Canada we have heard no word from the hon. gentleman beyond this that he says he is taking this power as a matter of precaution because these pilotage authorities may make some rules or regulations that are not wise, or that they may refuse to carry out rules and regulations that have been made and approved and that are wise and should be carried out. In the first place, as far as the rules and regulations are concerned, my distinct recollection of the Pilotage Act is that these rules and regulations must be approved by the Governor in Council or by the department—I think by the Governor in Council——

Mr. PREFONTAINE. By the Governor in Council.

Mr. R. L. BORDEN. Before they have any force whatever. Therefore, in that respect the public are amply safeguarded by that provision. In so far as the other part of the hon. gentleman's argument is concerned, namely, that the pilotage authorities may not carry out the law, the Governor in Council has ample authority if they do not carry out the law. The Governor in Council can dismiss them and appoint others in their places. He can call upon them, in the first place, to carry out the law and if they refuse he can take either one or other of these remedies. Therefore, there does not seem to me to be any occasion for the enactment of a law of this character and I do not think the hon. minister professes to have given any reason for the enactment of the proposed amendment except in so far as it may have application to the Saguenay district as to which I do not profess to have any information because I do not know what the facts may be.

Mr. PREFONTAINE. The Bill will only have application where it is necessary to apply it. The board of the port of Montreal last year, with the consent of the business people, the shipping interests, the harbour commissioners and the pilots came here last year and got this Act put through parliament. Chapter 48, 3 Edward VII., vests the pilotage authority of Montreal in the Minister of Marine and Fisheries. If the business people of Montreal believe that such a law should be passed, surely their opinion must be of some value. The business people of Quebec have insisted that another clause be added to the Bill, so as to take from the pilotage authority of the district of Quebec the supervision of the Saguenay river. The reason they give is, that some of the pilots that have been assigned to the Saguenay were absolutely incompetent. Let me ask: is the country not generally interested in having the law applied in such a way as to offer the necessary guarantees for safe navigation? Why should not authority be given to the Minister of Marine and Fisheries to act as a pilotage authority? The great objection raised by my hon. friend (Mr. Casgrain) is that the Minister of Marine and Fisheries will subsitute himself for the pilotage authority, and for the men who formerly held this investigation, but the hon. gentleman loses sight of chapter 64, the Act of 1901, under which the Minister of Marine and Fisheries has authority to hold investigations and to delegate his powers.

Mr. CASGRAIN. There is nothing about the pilots in that Act.

Mr. PREFONTAINE. It makes no difference whether the pilot is tried under the Shipping Casualties Act, or by men chosen by the harbour commissioners of Quebec or St. John or elsewhere.

Mr. CASGRAIN. The difference is that a pilot cannot be tried under the Act to which the minister has referred.

Mr. PREFONTAINE. The investigation takes place under that Act, and everything is done to ascertain who is responsible for the accident.

Mr. CASGRAIN. It has nothing at all to do with the pilots.

Mr. PREFONTAINE. Surely it is in the interests of the country, that pilots should pass such an examination under proper authority, as will guarantee that they are capable of discharging their duties. I do not see what harm there is in the pilotage authority being put in the hands of the Department of Marine and Fisheries. Indeed I believe it will afford better protection to the shipping interests.

Mr. CASGRAIN. My hon. friend from Bellechasse (Mr. Talbot) has said that one of the reasons why some of the pilots are opposed to this Bill, is that the new pilotage authority would not be so lenient as the existing body. Well, I have had considerable experience in practising before these pilotage courts ; I have been the solicitor for the pilots for the last twenty years, and I know that the complaint is not that the pilotage authority in Quebec is too lenient, but rather quite the reverse. The pilotage authority in the district of Quebec is composed of nominees of the government—and the government should appoint men who know something about the business—and also of a number of gentlemen who are elected by the shipping interests of Quebec. For the most part these gentlemen know a good deal about shipping ; some of them know a good deal about navigation, and they are competent to try such cases as come before them. In addition to that, they have the president of the Corporation of Pilots to throw light upon any question on which they are adjudicating. Let me point out that the Minister of Marine, who is not yet the lord high admiral of the Canadian navy does not know much about navigation, and although he has taken several trips on the 'Eureka' and the 'Frontenac,' he is not by any means a past master in the science of navigation. For my part, I would be loath to go before him with a trial in which a pilot was accused of neglect in navigating his ship. The Minister of Marine is not only not a fresh water sailor even, but he is not a sailor at all, and if the existing pilotage authority in Quebec is not competent to try these cases, surely the Minister of Marine cannot set up a claim to competency. The minister quoted the Shipping Casualties Act of 1901, but it ought be needless to tell him that that Act has nothing to do with pilots at all. The Act is simply for the purpose of instituting inquiries and investigations into shipping casualties, to determine whether the master, or the engineer, or one of the officers of the ship has been guilty of any neglect or error in navigation. The law respecting pilots provides how they shall be tried and their trial is a very serious matter. It is held as in a court; counsel represent the pilots and the government, evidence is taken under oath and the proceedings are just the same as in any court of the land. It is so serious that the law has allowed an appeal to the Superior Court on any decision rendered by the pilotage authority. The offences which a pilot may be guilty of range all the way from being intoxicated while on duty, to stranding a ship, and the penalty is a minimum of $20 fine up to the taking away of the pilot's license during his lifetime.

My hon. friend should limit the Bill to the interpretation which he put upon it when he gave the explanations to the committee. We on this side of the House, I particularly, have no intention of doing anything which would be contrary to the wishes of the business men of Montreal or Quebec ; but it cannot be their wish to vest in my hon. friend, the political head of a department, the powers which the Revised Statutes of Canada give to the pilotage authorities, that is, the trial of offences of which the pilots may be charged. I would, therefore, move :

That the following words be added at the end of section 1 :—

Provided that nothing in this Act shall empower or authorize the Minister of Marine and Fisheries to sit as a tribunal for the trial of offences of which pilots may be accused before the pilotage authorities.

Mr. PREFONTAINE. I have no objection at all to the amendment, because it has never been my intention to sit as a tribunal in these cases. The minister is incompetent to do so ; besides, in cases involving the cancellation of the certificate, there are always assessors appointed who are more competent to act.

Amendment agreed to, Bill reported, read the third time and passed.

STEAMBOAT INSPECTION ACT AMENDMENT.

Bill (No. 101) to amend the Steamboat Inspection Act, 1898 (Mr. Préfontaine), read the second time, and House went into committee thereon.

On section 1,

1. Subsection 1 of section 6 of the Steamboat inspection Act, 1898, is amended by adding thereto the following paragraph :—

(g.) for the inspection of the machinery and equipment of steamboats propelled by gas, fluid, naphtha, electricity, or any other mechanical or chemical power, and in the case of such vessels for making such changes in forms A and B of the second schedule hereto as he deems advisable.

Mr. PREFONTAINE. This is the only section in this Bill. Section 6 of the Act enumerates the different things for which the Governor in Council may make rules ; and after the passing of this Bill, the power to make rules for this class of vessels will be included. Heretofore vessels of this description have not been subject to inspection, and we have had numerous demands on the part of people who wanted to run these boats for passenger service to have them inspected

and given the proper certificate, so that they could offer the necessary guarantee to the public.

Mr. CLARKE. The inspection will be only made of boats carrying passengers ?

Mr. PREFONTAINE. Yes, and when required.

Mr. HAGGART. There is no change in the fees ?

Mr. PREFONTAINE. There are no fees.

Mr. HAGGART. There are fees ; and that is just the difference between the American system and ours. In the United States an inspection of the most competent kind is made and a certificate is given without the payment of any fees at all ; but the general complaint here—I do not know whether it is justified or not—is that fees have to be paid. Why not place our inland marine in the same position as the American ?

Mr. PREFONTAINE. Under the Act the matter is left entirely to the Governor in Council.

Mr. CLANCY. A question came before the hon. gentleman's department only a few months ago with regard to the licensing and inspecting of naphtha launches. The inspectors refused to make an inspection on the ground that they had no authority and there seems to be a grave doubt in the minds of these gentlemen whether naphtha launches should be used at all or not. The attitude assumed by the inspector seems to indicate that they felt they were independent of the law and that is a question which ought to be handled with a firm hand. As it is now, naphtha launches may carry thousands and thousands of passengers without any license from the inspector, but if they do not make any charge they may be death traps without interference simply because there is no charge. The department must be prepared to deal with this firmly, and either absolutely forbid boats of the kind to carry passengers for hire or without hire. I do not pretend to say whether these boats should be permitted to carry passengers or not, but if they are not fit to carry passengers they are not fit to be used for carrying private parties, and to carry a greater number of persons under such conditions than they would if they were carrying them for hire. I do not see any provision made to cover the case I have stated.

Mr. PREFONTAINE. If I understand the hon. gentleman he is drawing the attention of the government to the fact that they are not all inspected ?

Mr. CLANCY. None of them are.

Mr. PREFONTAINE. Under the law adopted last year, chapter 65, it was provided that certain classes of these boats should be inspected when they were over three tons. Under this amendment it is provided that any class of these boats, whether over or under three tons shall be subject to inspection if they are to be used for passengers. The hon. gentleman thinks we should go further than that. I shall consult with my officials who are more familiar with this question than I am, because the law is applied by a board of examiners and inspectors, and I will see whether it is possible to frame such regulations as would subject all vessels, whether employed for passenger or freight purposes, to inspection.

Mr. CLANCY. I am not urging a general inspection. The inspectors have declared that they did not think such boats should be examined and licensed to carry passengers, because they thought them dangerous. If that be true, why should any class of boats using such power be permitted to carry passengers even without hire if they are so dangerous as to make it inadvisable to license them to carry passengers ? I do not wish to be understood that every naphtha launch should be brought under inspection whether it carries passengers or not, but I want to point out that there are many places in Canada in which a ferry is necessary where a naphtha launch is useful and where a more expensive service cannot be maintained. For instance along the river St. Claire, there are little villages and towns on both sides of the river, one upon the American and the other upon the Canadian shore. Those are international waters so that we have no power under the municipal nor has the province any power to legislate in such a matter and therefore they cannot be brought under the control of the municipalities. If, in such cases you enforce all the conditions of a steam-ferry and require a certificated engineer, &c., the result will be that such a ferry service could not be maintained on account of the expense. A cheap service is essential. There are boats running to-day without inspection. The department has often given permission to these boats to run contrary to the law. I am persuaded myself that the department has a right to inspect and give certificates. These boats are running now without any certificates and I think it is about time that we should put an end to this.

Mr. PREFONTAINE. The Bill will deal with it.

Mr. CLANCY. No.

Mr. PREFONTAINE. It provides that regulations can be made for the inspection of these boats. It has the effect of adding a new clause 'G' to section 6, of the Steamship Inspection Act, 1898. In section 6 the following enumeration is made :

6. The Governor in Council may make rules and regulations for the following purposes, viz.:

(a.) for the testing of boilers and all matters connected with the construction and working thereof ;

(b.) for the inspection of safety valves and boiler cocks and all matters connected with the construction and working thereof ;

(c.) for the inspection of hulls and equipment of steamboats ;

(d.) respecting boats and life-preservers, fire buckets, axes and lanterns and other life-saving appliances to be carried by steamboats or by other vessels mentioned in this Act ;

(e.) respecting the qualifications necessary to entitle a person to an engineer's certificate;

(f.) requiring steamboats to carry chemical or other fire extinguishers, and prescribing the number of such fire extinguishers to be carried by steamboats of different sizes and classes respectively.

Now, we add :

(g.) for the inspection of the machinery and equipment of steamboats propelled by gas, fluid, naphtha, electricity, or any other mechanical or chemical power, and in the case of such vessels for making such changes in forms A and B of the second schedule hereto as he deems advisable.

Under this amendment, special regulations will have to be prepared for the inspection of the class of boats which are enumerated here, but are not enumerated in the statute of 1898, or in the amendments which have since been made.

Mr. CLANCY. It is evident I have been unable to make the point clear to the hon. gentleman (Mr. Préfontaine). I am not dealing with the point that a smaller class of boats may come under this new section. The point I am making is that, the authority given last session to inspect a larger class of boats is not acted upon by his inspectors. And, as inspectors will not give these boats the inspection and certificate necessary for the carrying of passengers, they are prevented from engaging in this trade. The hon. gentleman has to deal with the wisdom or the prejudice of his inspectors—I do not attempt to characterize it myself.

Mr. PREFONTAINE. I will undertake to look into it.

Mr. CLANCY. Will the hon. gentleman tell us why his inspectors have refused ?

Mr. PREFONTAINE. I am not aware that they have done so.

Mr. CLANCY. The hon. gentleman might have been aware of it months ago. His deputy certainly was. This is not a new case, but has been standing for many months. I know personally of the cases of naphtha launches which, under the law of last session are entitled to inspection and, if they are found to be safe boats, to certificate. Yet, they are rejected upon the mere ground that they are propelled by naphtha or gasoline. That has gone on for so long that I think we ought to have some explanation why the hon. gentleman has allowed it to stand still in the department.

Mr. PREFONTAINE. I will make the necessary inquiries.

Mr. CLANCY. Will the hon. gentleman make them so that we can have the explanation before this Bill passes ?

Mr. PREFONTAINE. I will make the inquiries. But that need not prevent the Bill from passing, because this does not affect the Bill.

Mr. CLARKE. Why not allow the Bill to stand until the inquiries have been made ?

Mr. CLANCY. I would like the Bill to be allowed to stand until we can get the information.

Mr. TAYLOR. May I ask the hon. minister if he is going to compel the owners of gasolene launches who keep them in boat liveries for hire by the hour or day to have them inspected, why he does not include automobiles also ? Automobiles are propelled by the very same machinery and the very same fluid as these launches are. You can go to a livery stable here and hire an automobile at any time. I do not see why he makes the Bill apply to one and not to the other. If he is going to touch it at all, he should grapple with the whole question. He already has a provision enabling him to deal with three-ton boats. Yet he proposes to deal in this Bill with gasolene launches of smaller size that gentlemen have for their own use or that are kept for hire by those who carry on boat liveries.

Mr. OSLER. The point raised by the hon. member for Lanark (Mr. Haggart) I think, is one quite worthy of consideration —the inspection fees charged Canadian boats. The Americans inspect free as I understand it. They even inspect Canadian boats free. I understand that an American boat inspected in Canada is inspected free. So, the only boats on the lakes on which an inspection fee is charged are Canadian boats inspected by Canadian inspectors. That is a discrimination against Canadian boats, not very serious, it is true, but one that Canadian shipowners have objected to and that they look upon as one of the small handicaps to their business which should not be permitted when their rivals, the American boats, are inspected free.

Mr. PREFONTAINE. We will look into the matter and see what can be done.

Mr. DEPUTY SPEAKER. Carried.

Mr. CLANCY. No, no. I understand the minister will allow this Bill to remain in committee, because to pass this clause may make a necessary reconstruction impossible. I hope the hon. gentleman will not press the Bill through committee until he has been able to look into the matter to which I have referred because it is a matter of great concern.

Mr. PREFONTAINE. I do not think it will involve anything of the sort, because,

the powers sought will cover what the hon. gentleman mentions. The Bill is as general as it is possible to make it. Regulations under it will be prepared. What the hon. gentleman is complaining of is some departmental matter concerning which I will make inquiries, and if there is a remedy to be applied I will satisfy him that it will be applied.

Mr. CLANCY. But the hon. gentleman's own inspectors seem to entertain doubt whether they have authority. If there is any lack of authority he has not supplied it by this Bill.

Mr. PREFONTAINE. I am perfectly satisfied that there is the necessary authority. If it is necessary to give special and rigid instructions to the inspectors to act according to law, I will do so. If it is necessary to issue an Order in Council, I will do so. But it would not affect this Bill in any way.

Mr. CLANCY. I cannot help thinking the hon. gentleman is showing an undue desire to press the Bill in the face of what seems to be a grave difficulty which is in contrast with the rather tardy manner in which this matter has been dealt with in his own office. The hon. gentleman seems to show more zeal in this than in the administration of the affairs of his department. The hon. gentleman is aware of the difficulty I have stated, or, if not he ought to be.

Mr. PREFONTAINE. I am not aware of anything of the kind. I have never heard of such complaints until now.

Mr. CLANCY. Then, in view of the fact that this is the first time the hon. gentleman has heard the complaints, does it not suggest itself to him that it would be a good thing to delay for a day or two? It is important that we should start right. The law may be defective all the way through. I see no reason we should not allow the Bill to remain in committee. There is a general desire not to annoy the hon. gentleman, but we wish to use this opportunity to make the Bill as perfect as possible.

Mr. PREFONTAINE. If the hon. gentleman insists I will consent, I have no special object to serve by pressing this Bill to-day. We can pass it some other day. I move that the committee rise, report progress and ask leave to sit again, and in the meantime, I will procure the information.

Progress reported.

NAVIGATION OF CANADIAN WATERS.

Bill (No. 112) to amend the Act respecting the navigation of Canadian waters.—(Mr. Prefontaine) was read the second time, and House went into Committee thereon.

Mr. PREFONTAINE.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). This Bill is a very short one, and its object is to remedy an unsatisfactory state of affairs which exists on the lakes. Some years ago, I think it was in 1890, some international rules were adopted at a meeting that took place in Belgium, at which marine interests all over the world were represented, and by which certain rules were drawn up and adopted as the rules of navigation. However, the Americans navigating on the lakes did not conform to these rules, they have maintained their own rules since then, and in consequence a good deal of misunderstanding has been created amongst navigators on the lakes. The Marine Association has come to the conclusion that it would be better to agree with the Americans and adopt the same rules they have as regards that portion of our inland waters. This Bill is a result of the representations made by the Canadian Marine Association.

Mr. CASGRAIN. I think the object of the Bill is very good. But I would ask my hon. friend to point out by whom the regulations mentioned in this subsection which he desires to add to the Act, were passed.

Mr. PREFONTAINE. By the Governor in Council under chap. 79 of 49 Vic.

Mr. CASGRAIN. If the regulations were passed by the Governor General in Council, why is it necessary to amend the law so as to give power to the Governor General in Council to repeal those regulations? Surely the authority which made the regulations has a right to repeal them. I do not see any use for the Bill.

Mr. PREFONTAINE. Well, we consulted the Department of Justice on the question, and the opinion of the department was to the effect that it would be better to have a special law, to get special authorization by statute to amend these regulations. Because by section 14 of chap. 79, 49 Vic., it is provided:

> If Her Majesty, acting on the joint recommendation of the admiralty and the Board of Trade, by Order in Council annuls or modifies any of the regulations for preventing collisions on navigable waters, which, by order of Her Majesty in Council of the fourteenth day of August, 1879, were substituted for those heretofore in force for like purposes in the United Kingdom, or makes new regulations in addition thereto or in substitution therefor, the Governor in Council may, from time to time, make corresponding changes as respects Canadian waters, in the regulations contained in the second section of this Act or any that may be substituted for them,—or may suspend them or any of them, and make others in their stead,—or may revise all or any of the regulations in the Act of the parliament of Canada passed in the thirty-first year of Her Majesty's reign, and intituled 'An Act respecting the Navigation of Canadian Waters,' as he deems best for ensuring the correspondence of the regulations of Her Majesty in Council with those of the Governor in Council.

Mr. CASGRAIN. I may be mistaken, but from hearing what the hon. gentleman has just read, I should think that this Bill was not necessary. I do not know whether we should spend any time here passing useless legislation. But really it seems to me, from the language of this section 14 that the Governor in Council have a right to change any regulations which have been heretofore in existence, to alter, amend or supersede them by other regulations. I may be mistaken, but that seems to me to be the meaning of section 14.

Mr. PREFONTAINE. There seems to be a doubt whether we can amend these regulations, unless they are made to correspond with the rules and regulations adopted by the Admiralty and the Imperial Board of Trade. So in order to make the law perfectly clear, we thought it would be better to insert a special clause providing that, even if they do not agree with the regulations made by the admiralty, these rules may be passed. Besides, they are perfectly independent of the others.

Bill reported, read a third time and passed.

SUPPLY—MR. D. J. O'DONOGHUE.

Hon. W. S. FIELDING (Minister of Finance) moved that the House again go into Committee of Supply.

Mr. GEO. TAYLOR (South Leeds). Mr. Speaker, before you leave the chair I want to refer to a matter that I referred to on the 25th of May, when we were discussing the Alien Labour law. I made a statement in reference to the Labour Department and I connected with it the name of the fair-wage officer of that department, Mr. D. J. O'Donoghue. I referred to him as having received an amount of money at the expense of the country, stating that he had got $1,500 in salary and $1,200 in travelling expenses. I made this statement in regard to him :

> This gentleman who draws a salary of some $1,500 is employed in making these special trips. He is a special organizer for the grit party; and that is all he is and every man who is named in this Auditor General's Report as participating in this expenditure of $44,000 is simply an organizer for the grit party and not working in the interests of labour at all.

A few days after making that statement the Liberal organ of the city of Kingston, the Kingston 'Whig,' made this statement :

> Mr. Taylor, M.P., sneers at D. J. O'Donoghue and calls him a grit organizer in place of a labour bureau official. Mr. Taylor cannot name a single act which Mr. O'Donoghue has committed and which stamps him as the politician rather than the labour leader ?

The Ottawa 'Citizen' copied this article in its issue of yesterday and made the following remark :

> Well, if Mr. Taylor can't, the Citizen can : Last winter when he was supposed to be out on the Pacific coast on labour business he was making political speeches at meetings in Nanaimo—speeches of the red hot political booster stamp,—and some specimens of his oratory can be had by referring to the Citizen files of that period.

I did not turn up the 'Citizen' files, but I turned up the Nanaimo papers and I find by the Nanaimo 'Daily Herald' of December 27th, that a meeting was held at Nanaimo for the purpose of bringing out a candidate in the person of Mr. Ralph Smith, now a member of this House. It was thought then that we were going to have the elections and the Liberal candidates were being placed in the field. Mr. O'Donoghue was requested to go to the coast and assist at these meetings. The article which I propose to read from now is contained in the government organ of that place—the 'Daily Herald' of December 27th, 1903. It is headed :

> UNANIMOUS IS THE ENDORSATION OF RALPH SMITH BY THE LABOUR-LIBERAL PARTY.
>
> The Labour-Liberal party.
>
> D. J. O'DONOGHUE GIVES A MOST ENTERTAINING AND TIMELY ADDRESS.
>
> It was
>
> Moved by Mr. F. McB. Young, seconded by Roderick McRae, 'That this meeting of the Liberal-Labour party heartily endorse Mr. Ralph Smith, M.P., as a candidate for the Dominion House in the forthcoming elections.'

Mr. Smith then took the floor and laid down his platform. Mr. Smith said that :

> At that time he was elected as a labour man with strong liberal leanings and to-day he accepted the same position, and if elected would go to the house to give especial attention to labour matters and a general support to the liberal party as long as it continued in the path it was following at present. He had only been in the house a short time but was sure the results had been fully equal to anything accomplished in any equal amount of time before. He asked them to judge him on his record and if they were satisfied with it to vote for him, and if not vote against him, but he was confident a fair representation of the case to the electors would result in again successfully returning him to the House. Mr. Smith's remarks were greeted with loud applause and at their close a committee composed of Messrs. F. McB. Young, Harry Shepherd and Richard Both was appointed to act in conjunction with the officer to call the party together whenever the date of election was announced.
>
> A motion to forward the preceding resolution to Senator Templeman and Sir Wilfrid Laurier was passed.

Then Mr. O'Donoghue was called upon.

Mr. CLANCY. Who is Mr. O'Donoghue ?

Mr. TAYLOR. He is the fair-wage officer of the Labour Department.

Mr. CLANCY. Drawing a salary ?

Mr. TAYLOR. Drawing a salary of $1,500 a year and $1,200 for travelling expenses.

Mr. CLANCY. That is the end of him.

Mr. TAYLOR. Mr. O'Donoghue said :

He was not present as a party politician. Of course, he had strong views on politics that he would never swallow for any position any government could ever give him, but at the same time he knew what was due to his position and would refrain from talking as he otherwise might.

'Of course,' went on Mr. O'Donoghue, 'there are some people who are only sorry that they are not in my office who say I am a political heeler. Well now, I want to tell you about those people. What they say I am they would be if they were in my place.' This remark was made very quietly but in a rich brogue that made it very effective and the crowd greeted it with great laughter and applause.

Mr. O'Donoghue said he was glad to be present to-night no matter what the consequences might be to pay a tribute of respect and praise to his friend, Mr. Smith. He had many opportunities to watch his movements in Ottawa and if he had not deserved the compliment he was about to pay, they nor any other men nor the government nor all the money in Canada could prevail on him to open his mouth.

There couldn't be a better gauge of a man's influence in the House than the manner in which he is treated while making a speech. Sometimes a member will be speaking whose speech will occupy column after column in the newspaper, but in the House, out of 200 members, only about six would be listening to him. Of this six three would be asleep and the other three would be talking earnestly to each other. (Great laughter).

Some hon. MEMBERS. Oh, oh.

Mr. TAYLOR. Yes, hon. gentlemen can laugh but there is a civil servant drawing $1,500 of the people's money who goes out to British Columbia and tells the people there that when some members are speaking in this House there are only six members present, whereas, the fact is that you, Mr. Speaker, could not occupy the chair if there were only six members present. That man goes out and tells lies about the House of Commons. He says that there are members who make long speeches that fill columns and columns of 'Hansard' when there are only six members present and three of them asleep. He continues :

Such a member, said Mr. O'Donoghue, had no more effect than a dog has when he sits on his hind legs and barks at the moon. But when a member is regarded with respect by his fellow members rises the scene was different. The side door is opened and the members flow in from all quarters of the House to listen to that man. I was in the House of Commons one day and Smith rose to speak. The House was almost empty at the time, but in a few moments every member within the precincts of the House was in his place. The premier and cabinet ministers who were sitting partly with their backs to Mr. Smith turned half around and with all the others were all attention to the words that fell from the lips of your representative and ours. (Applause). He was speaking on the Chinese question. (Applause). And I was in the gallery. Well now, if you want to kick up any racket there you'll get thrown out, but I never had such a time in my life to keep quiet. I grabbed the desk in front of me and held on with both hands to keep them from clapping together. I was so proud and pleased to see the House of Commons and premier and cabinet listening so attentively to the representative of labour. Well, I needn't tell you what the result was. That speech was so effective that a $500 tax was imposed against the Chinese instead of $100. (Applause). Had it not been for Mr. Smith you would have been put off with more promises and nothing else but that speech settled it and the increased tax went on.

He made the people believe that there was a special desk put in the gallery for this official of the Labour Department, and that he had to hold on to both sides of it to prevent him from clapping the member from Nanaimo, who was speaking on the Chinese question.

Here is Mr. O'Donoghue who is paid by the people of Canada $1,500 a year besides travelling expenses : here he is making a special trip to be present at the nomination of this labour Liberal candidate, and having no other business out there only expecting that there would be an election. Here was Mr. O'Donoghue a public official, supporting the member for Nanaimo who had declared his platform to be that if he were returned to parliament he would support the present government. Here was Mr. O'Donoghue, an official of the government who was supposed to take no part in politics, speaking on the hustings in favour of a government supporter. It is on a par with the patron business. We had a specimen here to-day appointed by the Minister of Trade and Commerce at $1,200 a year and $1,200 travelling expenses in the person of Mr. Haycock a leader of the patron movement which was organized by the Postmaster General and the Minister of Trade and Commerce to try to injure the Conservative party: Where are these patron leaders to-day ? Mr. Currie and Mr. Haycock, and two or three others of them are employed at large salaries and large travelling expenses. It is the same way with Mr. O'Donoghue and several other officials of the Labour Department. The Kingston 'Whig' said that no person could prove that Mr. O'Donoghue had ever interfered in politics, and it charged me with unfairly attacking Mr. O'Donoghue when I brought his name before the House. I bring this matter to the attention of the House to-day, so that the people of the country may know how the officials of this government are acting. I bring the matter before the House to prove to the editor of the Kingston 'Whig', who is a member of the local legislature and supporter of Mr. Ross that Mr. O'Donoghue is a political partisan, and that like Mr. Jos. Haycock and others he is drawing money from the public treasury to go around the country taking part in politics just as Mr. Haycock gets his salary, and expenses to go around the country trying to make the

farmers believe that he is inspecting binder twine.

Mr. RALPH SMITH (Vancouver). Mr. Speaker——

Mr. CASGRAIN. I hope O'Donoghue is not in the gallery.

Mr. BENNETT. Send out and tell him Mr. Smith is talking.

Mr. RALPH SMITH. The hon. member (Mr. Taylor) has complained that the Kingston 'Whig' said that he could not prove any accusation against Mr. O'Donoghue. I think the House and the country will now be able to endorse just what the Kingston 'Whig' said. If the hon. gentleman had intended to verify the statement of the Kingston 'Whig,' his effort could not have been more successful. I think I can show the House that the hon. member (Mr. Taylor) is absolutely ignorant of the facts of the case. The hon. member says that Mr. O'Donoghue was sent to British Columbia to assist in a political campaign. What authority has he for that statement?

Mr. TAYLOR. Mr. O'Donoghue was out in that country.

Mr. RALPH SMITH. Was he sent out for that purpose?

Mr. TAYLOR. Every one expected then that the elections were coming on, and Mr. O'Donoghue was there for the express purpose of asking the Liberal labour party to send men here to support the present government. There was no strike on in British Columbia at the time, and he had no other earthly business out there.

Mr. RALPH SMITH. The hon. gentleman is very reckless in his statements.

Mr. TAYLOR. I can back them up all the same.

Mr. RALPH SMITH. That is more than you have done up to the present time. I want to state that I had nothing to do with Mr. O'Donoghue being in British Columbia. Mr. O'Donoghue was sent to British Columbia as a fair-wage officer to prepare schedule of fair wages for public works in British Columbia.

Mr. TAYLOR. On the 27th of December.

Mr. RALPH SMITH. That is the business of the department; it is not my business; I know nothing about it. I tell the hon. gentleman that so far as I am concerned I knew nothing about Mr. O'Donoghue going there; I did not know that he intended coming there; he had nothing to do in connection with that meeting except that he accidently happened to be there when it was held, and the organization of the meeting for my nomination—I fancy that is what troubles the hon. gentleman—was provided for before any one in British Columbia knew that Mr. O'Donoghue was going to be in that country. I make this statement as a member of this House. The statements in Mr. O'Donoghue's speech prove conclusively that all the connection he had with that meeting was his desire for the personal interests of his friend, myself. He was in town, not as a consequence of the meeting but he was at the meeting as a consequence of being in the town.

Some hon. MEMBERS. Hear, hear.

Mr. RALPH SMITH. Mr. O'Donoghue had prepared his schedule for the public works in the province of British Columbia, before that meeting was held, and he had forwarded the schedule to Ottawa and was taking his holidays which he was entitled to as he had not had any holidays for two years previously.

Mr. LANCASTER. Why didn't he come home then?

Mr. RALPH SMITH. He was taking his holidays in British Columbia. The records of the department will show that the schedules were filled up and forwarded, and that he was an absolutely free man so far as being an officer of this government was concerned. Do hon. gentlemen object to a position of that kind? Why, you might as well say that the officials of the Agriculture Department who are sent to British Columbia to lecture to the farmers, are political agents.

Mr. JAS. CLANCY (Bothwell). Will the hon. gentleman say that Mr. O'Donoghue was in British Columbia at that time because he was taking his holidays?

Mr. RALPH SMITH. He had done the work of his department and had made arrangements to take three weeks holidays in British Columbia. I do not know that the matter needs any further explanation, because I think that the article which the hon. member (Mr. Taylor) read, perfectly justifies Mr. O'Donoghue and explains the thing as well as it is possible for me to do. I defy the hon. gentleman to show that Mr. O'Donoghue ever made a single reference to either of the two political parties in this parliament. He spoke only because of his personal connection with myself, and he never made a single reference to any politician in this House, nor to the political parties. Mr. O'Donoghue was taking his holidays; his work was completed; he was stopping with me; and he went with me to that meeting, which was organized before he came to that province at all; and as a consequence of being present, a labour man amongst labour men, he was asked to address the meeting. He did address the meeting, and I defy the hon. gentleman to prove that he made a single political reference in the whole of that address.

Mr. CLANCY. We can scarcely let a statement like that pass unchallenged. The

hon. gentleman is very innocent of the whole affair. Although Mr. O'Donoghue slept under his roof and accompanied him to the meeting, he is not able to say that Mr. O'Donoghue was at that moment on leave of absence granted by the department. If he was, it made no difference. Mr. O'Donoghue took that occasion to slander every member of this House, because he did not refer to any one in particular. Was his statement false or true ? Does the hon. gentleman know whether Mr. O'Donoghue told the truth or not when in his presence he described the House of Commons as having only six members in it, and three of those asleep ? The hon. gentleman cannot escape the consequences of the statement made here this afternoon. Mr. O'Donoghue said : 'I am not a politician, but I have my politics ;' and what were they ? He described the virtues of the Liberal party—there was no party like that party.

Mr. RALPH SMITH. I would ask the hon. gentleman to give us an instance of what he said.

Mr. CLANCY. I am not here to amuse the hon. gentleman. He heard the statement that was read from a paper, I believe entirely friendly to the hon. gentleman himself, reporting Mr. O'Donoghue as having described the House of Commons in terms that no man should be permitted to use, because they are as false as false can be. The hon. gentleman knows that the statement made by Mr. O'Donoghue was false. I challenge him to rise in his place now and say that his description of the House of Commons was borne out.

Mr. RALPH SMITH. I ask the hon. gentleman to prove his statement that Mr. O'Donoghue spoke in favour of the Liberal party. Mr. O'Donoghue never said a word in favour of any party. I am entitled to know where the hon. gentleman gets his information for making the statement that he did.

Mr. CLANCY. The hon. gentleman heard what was read.

Mr. RALPH SMITH. I did not hear that read.

Mr. CLANCY. Mr. O'Donoghue prefaced his remarks by saying in so many words : 'It will not do for me to talk politics here. I am a politician, but I will be careful and not talk much politics.' But he praised the party to which the hon. gentleman belongs. Is that not talking politics ?

Mr. RALPH SMITH. A purely personal reference.

Mr. CLANCY. Is the hon. gentleman prepared to look wise enough to stand a eulogy of that kind, and at the expense of the whole House of Commons, including the right hon. the First Minister ? He is a pretty constant attendant here. Was he one of those who were asleep, or was he awake ?

Mr. CLANCY.

Sir WILFRID LAURIER. I was asleep, sure.

Mr. CLANCY. No, the right hon. gentleman was not asleep. I ask the right hon. First Minister, if the statement in that paper is true, does he think it a becoming or proper thing that an official, no matter what his position may be, who is paid to discharge the duties of his office free from any colour of serving one party more than the other, should be permitted to go about the country and appear at meetings on one side or the other—at a labour Liberal convention—and make statements of that kind ? This is not a matter which can be laughed out of court. I think the officials of this country should be protected so long as they do not violate the trust placed in their hands. But the hon. gentleman's own friends have on more than one occasion, metaphorically speaking, taken off the heads of officials who had nothing proven against them. I know an instance of a man having been dismissed because he was found driving in a buggy with a man who was putting up some bills. He had never spoken at a political meeting and was not accustomed to discuss political questions. He held a little office worth $400 a year at a customs outport. A conspiracy was hatched against him, and he was dismissed without being told why he was dismissed, without ever being given a hearing or being allowed to say a word in his own defence.

Mr. CAMPBELL. Who was he ?

Mr. CLANCY. Mr. Henry Roebuck, than whom there is not a more respectable man in Canada—a man who was never known to have said an offensive word privately or publicly of any political party. True, he was a Conservative, and is to-day. That man was dismissed ; and yet here is an official, occupying a very important position, allowed to go about the country making statements of the kind quoted here to-day. This kind of thing undermines the very underpinning that can uphold a healthy public service. If public officials are to be permitted to go about the country doing that sort of thing, then we may just as well turn the officials loose. I ask the right hon. the First Minister if he does not think this is a matter which should be investigated—because I am prepared to do any person the justice of saying that a mere newspaper report should not be a sufficient ground for the dismissal of an official ? I ask him if the statements and the action and the appearance of Mr. O'Donoghue at that meeting, even as a friend of the hon. gentleman who sits for the riding, are found to be as represented, whether Mr. O'Donoghue should not be dealt with accordingly ?

PERSONAL EXPLANATION.

Mr. A. B. INGRAM (East Elgin). Mr. Speaker, I do not rise for the purpose of

taking part in this discussion, but for the purpose of straightening out a matter that came up in this House yesterday and the day before yesterday, involving the veracity of three hon. members of this House. Although the hon. junior member for Halifax (Mr. Wm. Roche) is not in his place, I may say that I extended to that hon. gentleman to-day a courtesy which he forgot to extend to me yesterday. I wrote to the hon. the junior member for Halifax this morning, this letter :

Ottawa, June 2nd, 1904.

William Roche, Esq., M.P.,
House of Commons.

Dear Mr. Roche,—Referring to the incident which occurred yesterday and the day before in the House concerning certain statements which you claim that the member for Lennox (Mr. Wilson) had made controverting some remarks of yours, I dsire to say that I am going to bring the matter up in the House this afternoon, and as a matter of courtesy I give you reasonable notice thereof.

Yours very truly,
A. B. INGRAM.

I may say that if the hon. gentleman (Mr. Roche) had given me any notice yesterday of his intention to bring before the House certain statements that I had made the day before in connection with remarks that he had made about the hon. member for Lennox, I would not have considered the matter of sufficient importance to bring it before the House to-day. The question of the veracity of the statements made by hon. gentlemen on either side of this House is a very important and serious matter, and I take it that hon. gentlemen on the government side of the House will be as eager as hon. gentlemen on this side to uphold any hon. gentleman in this House who rises in his place and makes a statement of fact or a statement that he believes to be a statement of fact. I am sure that if any hon. gentleman so far forgets himself as to rise in his place simply for the purpose of interrupting an hon. gentleman and thereby gaining some party advantage for the moment by reason of an untruthful statement, such conduct on either side of the House should be condemned. That I take it is the disposition of hon. gentlemen on both sides of this House. The hon. junior member for Halifax (Mr. Roche) in his effort the day before yesterday to make a point against the leader of the opposition who was then discussing the question of immigration alluded to the fact that the leader of the opposition was using exactly the same language that he himself had used in a debate that occurred one year previous to that. He said that he used the same observations somewhat on the same line as the hon. leader of the opposition and that they were condemned by my hon. friend from Lennox (Mr. Wilson). My hon. friend from Lennox (Mr. Wilson) rose in his place and contradicted that statement, and I desire to give the contradiction, as I shall give the statement made by the junior member for Halifax, because I think this matter is of sufficient importance to be placed on record. The hon. the junior member for Halifax (Mr. Wm. Roche) made this statement :

Mr. Speaker, you will remember that about this time last year there was a debate in this House on this very subject. On that occasion I made some observations somewhat in the line of the remarks of the hon. leader of the opposition this afternoon. I was taken to task on that occasion by my hon. friend from Lennox (Mr. Wilson) who denied to a considerable extent the statements I made.

Then the hon. gentleman (Mr. Wilson) rose in his place and replied as follows :

Mr. WILSON. Will the hon. member allow me to correct him. Instead of my making a speech after him, he spoke after I did and criticised me.

Now I take it that the object of my hon. friend (Mr. Wilson) in correcting the hon. the junior member for Halifax (Mr. Wm. Roche) was to show that he had not made statements making any allusion to the hon. the junior member for Halifax (Mr. Roche) by which he had controverted statements that that hon. gentleman had made. Now any hon. gentleman in this House after an interruption of that kind would have accepted the statement made by the hon. member for Lennox (Mr. Wilson) as he is bound to do as a member of this House. But what did he do instead. He replied by saying :

I am quite aware that my hon. friend, like a great many others in the House, after he has made the principal speech generally makes a few little speechlets.

What was the object in saying that ? It was that if the leading speech of my hon. friend did not contain these remarks that controverted the statement of the hon. the junior member for Halifax (Mr. Wm. Roche) the contradictions could be found in the speechlets. I had the record in my hands then as I have it now. I rose in my place and I did not speak offensively. I used perfect parliamentary language in so far as I am able to express it and I said this :

I would remind the junior member for Halifax (Mr. Wm. Roche) that he is mistaken when he thinks that the hon. member for Lennox (Mr. Wilson) followed him last year with a speech or even with a speechlet.

Meaning by that that neither the speech nor the speechlets contained any remark that in any way controverted anything that had been said by the junior member for Halifax (Mr. Wm. Roche), and I continued :

There is no record of either such speech or speechlet, but I can tell him that the hon. gentleman who did follow him and who criti-

cised his language very severely was the hon. member for Alberta (Mr. Oliver.)

Then the hon. junior member for Halifax (Mr. Roche) made this statement :

Speaking from memory I think my hon. friend did make the few observations I referred to or else it was the gentleman next him. I am not speaking by the book of course but from memory. The statement I made certainly was attacked afterwards by my hon. friend from Alberta (Mr. Oliver).

Now Sir, I am in duty bound, Mr. Speaker, having corrected the hon. gentleman to prove by the record that the statement I make in connection with the language used by my hon. friend is correct. We were discussing on July 14, 1903, a motion moved by the Hon. Mr. Sifton, Minister of the Interior :

That the House again go into Committee of Supply.

That is reported on page 6546 of the 'Hansard' of 1903. Mr. Wilson, if I may use his name, occupied the pages of 'Hansard' from 6546 down to 6557 when Mr. Roche, the junior member for Halifax followed him. I see that this speech of Mr. Roche continues to page 6562. Twelve hon. gentlemen in this House spoke on that occasion after the junior member for Halifax and before we find a page with Mr. Wilson's name and previous to his remarks the Hon. Mr. Sifton makes this statement at page 6609 :

The only persons we hear that suggestion from is the hon. member for Lennox and his friend the United States inspector, Mr. Watchorn. If my understanding of the hon. gentleman's argument is correct, it is in effect that we should make such an arrangement as would allow the officers of the United States to decide who should come into Canada.

Mr. WILSON. I made no such statement. What I said was that we ought to enter into an arrangement with them, that we ought to have as much to say about it as the Americans, and that there should be a good understanding between the two governments.

I wish to point out to you that there is not one statement in these words which refers in any way to the junior member for Halifax (Mr. Wm. Roche). Again Mr. Sifton says :

A medical inspector is stationed at each of the ports of landing, a competent medical inspector. They are all presided over by a general inspector of first-class professional attainments ; and we have no reason whatever to believe that it is necessary that their inspection should be revised by officers of the United States.

Mr. WILSON. When was the medical inspector appointed at Montreal ?

The MINISTER OF THE INTERIOR. I cannot give the hon. gentleman the date.

Mr. WILSON. I may say that his deputy minister was before the committee as late as the 11th of June, and, according to his evidence, no one had been appointed there then.

The hon. member for Lennox (Mr. Wilson) uttered nothing further up to the time the motion to go into supply was carried. Then the item of immigration, $110,000 was taken up for discussion. The hon. member for Lennox was discussing the item with the Minister of the Interior (Mr. Sifton). He spoke several times, making what the hon. junior member for Halifax call 'speechlets.' But in none of them is there a reference to the junior member for Halifax or to the arguments which he says the hon. gentleman controverted. The debate on the main motion and on the item of $110,000 was closed at page 6616 :

Motion agreed to, and House adjourned at 12.20 a.m. Wednesday.

Now, I wish to say and say it most positively that in the record I have quoted there is no contradiction of the statement made by the junior member for Halifax. I have here the volume of 'Hansard' containing 2429 pages between June 22nd and July 29th, 1903 ; and, Mr. Speaker, I will apologize to this House if the junior member for Halifax can put his finger on a single word or syllable in the debate on this question in which the hon. member for Lennox controverted the statements he made as coming from the junior member for Halifax. What I wish to point out is this—that the junior member for Halifax, after having twenty-four hours to consider what he wished to say, came to this House yesterday and, without extending to me the courtesy that I have extended to him, brought up without a moment's notice, and without even having before him the record to prove his statement, this matter to which he had previously referred. I read from the report :

PERSONAL EXPLANATION—MR. WILLIAM ROCHE.

Mr. WILLIAM ROCHE (Halifax). I rise for the purpose of making a personal explanation. Yesterday, in the course of the debate, I stated that the hon. member for Lennox had controverted some remarks which I had made. He said that he could'nt have done so, because he had spoken before me. I then said that that gentleman like some others in the House, after he had made his main speech, added a number of little speeches or speechlets.

Though the member for Lennox made certain speechlets, three before the motion carried, yet they had no bearing on the statements made by the hon. junior member for Halifax. No hon. gentleman on either side of the House would say that the junior member for Halifax strengthened his case by proving that the member for Lennox spoke when what he said had nothing to do with the matter under discussion. He says, later on :

Now, my reputation being assailed and I have been directly contradicted without warrant, an explanation is due from the hon.

member (Mr. Ingram), and if that is the method in which he pursues investigation, then if he contradicts me on some future occasion, he had better have his facts more under control of his volition.

Mr. INGRAM. I still adhere to the statement I made yesterday, and the record will prove my statement to be correct. The hon. gentleman from Lennox was afterwards speaking on an item in the estimates, which affected the question of immigration.

Mr. WM. ROCHE. It was the same debate on his motion, and he afterwards reaffirmed his previous statement.

Mr. INGRAM. The record will prove that the statement I made yesterday was correct, and if the record does not prove that, I am willing to apologize. I defy the hon. gentleman from Halifax (Mr. Roche) to read from the record exactly the statements made by the hon. gentleman from Lennox.

Mr. WM. ROCHE. My hon. friend said that the hon. gentleman (Mr. Wilson) made neither speech or speechlet, but the record shows that he made eight speeches.

Some hon. MEMBERS. Read.

Mr. WM. ROCHE. I have not the book here ; the gentlemen on the other side of the House have it.

Now, I do not wish to detain the House longer on this question.

Some hon. MEMBERS. Hear, hear.

Mr. INGRAM. Do hon. gentlemen opposite dispute my statements in connection with this matter ? They cheered the junior member for Halifax when he made his statement. And I challenge any member on the other side of the House, the junior member for Halifax included, to say that the record I have quoted is not correct. I have been a member of this House for a number of years, and I challenge any member on either side to put his finger on a single line of the record showing that I have ever interrupted any hon. gentleman for the purpose of making light of him and knowing that what I said was not in accordance with the facts. So, I am only giving to this matter the importance it deserves. I have not been guilty of the conduct in debate that has been suggested, and God forbid that I should ever be guilty of it. But it appears that the hon. junior member for Halifax, unable to gain importance in this House in any other way, resorts to tactics of this kind in order to have a fling at his colleague (Mr. R. L. Borden) who is the honoured leader of the opposition. He must devise some other means, and be better acquainted with his facts when he rises to speak in this House. For my part, I condemn conduct of this kind. Had it not been for the request of my hon. friend (Mr. Wilson) who had already spoken and so could not speak again, I do not think I would have paid any attention to the statement of the junior member for Halifax. But, having made my statement I stand by it and I appeal to the records to support me.

Mr. URIAH WILSON (Lennox). When the junior member for Halifax (Mr. Roche) was speaking on the occasion to which he referred, I interrupted him because I thought he was mistaken, that he had forgotten that I had spoken before him. He wished for some member from the west to corroborate his statement. The hon. member for Alberta (Mr. Oliver) followed him and I do not think he enjoyed very much the support he got from that hon. gentleman. Now I have taken the pains since this came up—though I may say, that had it ended with the first day I would have thought nothing more about it—to look over what the hon. gentleman said, to see if I had interrupted him during the debate. I substantiate everything that the hon. member from East Elgin (Mr. Ingram) has said. The hon. member (Mr. Roche) will fail to find that I interrupted his speech or made any reference to what he said. I have no fault to find with the hon. gentleman as a good citizen or as a pleasant member of this House ; but he is noted more for being a little windy than for familiarity with subjects that he undertakes to deal with in debate. Now, I have never said so much about any man in this House. I desire to discuss matters on their merits and not to deal in personalities, because I think that is unwise and entirely uncalled for. As to the opinion the hon. gentleman expresses on the question of immigration, one has only to read the papers of to-day to see that we are getting a most undesirable class from abroad, people who are becoming a burden on a number of our cities. I think the time has come for the government to exercise the power it possesses to keep out this class of people. We all are enthusiastic believers in the capabilities of our country, and our population, up to this time, has been equal, I believe, to that of any other country in manliness, honesty, industry and the other great virtues. I hope the government will not allow outsiders to enter and become citizens who will be an undesirable addition to our population. This is all I want, and I think I am speaking the opinion of our friends on this side of the House. We are quite satisfied to get as large a population as possible into this country if it is of a desirable kind. But what we want especially is population of a good quality, we are not so anxious about the quantity as about the quality. I have only further to say, Mr. Speaker, that I think in this matter the hon. junior member for Halifax (Mr. Roche) is entirely mistaken, and if he is not wilfully mistaken, he certainly should not have spoken in the way he did without information.

Motion agreed to, and House went into Committee of Supply.

At six o'clock, committee took recess.

After Recess.

Committee resumed at eight o'clock.

Adulteration of food and fertilizers, and the administration of the Act respecting fraudulent marking, $30,000.

Hon. L. P. BRODEUR (Minister of Inland Revenue). I suppose it is not necessary for me to give full information on an item that we discussed the other night. This is a provision for carrying out the Act concerning the Adulteration of Food, to pay food inspectors and analysts. The vote is the same as last year.

Mr. BLAIN. Was there fraudulent marking of food in Canada to any extent last year ?

Mr. BRODEUR. I am informed by my deputy that there has been a decrease.

Mr. BLAIN. In what classes of goods?

Mr. BRODEUR. All sorts of foods, maple syrup, jellies, pepper, distilled liquors, &c. I may say that the beverage which seemed on the whole to be the purest is the product of the distillery.

Mr. WILSON. I would ask the minister if his officers go around to different places, or if samples are sent here to be analysed ?

Mr. BRODEUR. We have food inspectors who travel around the country to gather samples, and they are sent to be analysed. The inspectors are obliged to go all through the country and collect samples. They collect samples without acting upon any information given them.

Mr. WILSON. I understand that would be their general duty, but I presume if they had information from any particular locality that adulterated food was being sold he would send his officers.

Mr. BRODEUR. Certainly, if we had information from any locality that impure food was being sold, it would be the duty of the department to send inspectors to collect samples of such food, and that would be done.

Mr. BLAIN. How much was expended last year ?

Mr. BRODEUR. $19,841.38 were expended last year.

Minor revenues, $1,000; ordnance lands, $1,080.

Mr. BRODEUR. The vote for minor revenues is to pay some expenses in connection with granting licenses to ferries between the provinces and between the United States and Canada on the lakes. The Department of Inland Revenue is charged with that duty, and we have to advertise for this purpose. I may say that the revenue collected from ferries is much larger than the amount we spend.

Mr. WILSON. By what principle do these come under the Inland Revenue Department ?

Mr. BRODEUR. They have always been under the control of the Inland Revenue Department. There are two departments charged with the collection of revenue, the Customs and the Inland Revenue, and as ferries yield a revenue they are given to my department.

Mr. WILSON. How much was collected last year ?

Mr. BRODEUR. The ferries are not totalled up, but the collections are divided into three parts—bridges, ferries and sundries, and the total sum is $1,239.50.

Mr. WILSON. How much have you to pay out of that in the way of expenses ?

Mr. BRODEUR. The expenditure for the ferries is not totalled up, but an expenditure has been made as follows : American Bank Note Company for printing Yukon stamps, $766, and for printing law stamps, $620.30, and then there were some express charges and some expense in connection with the advertising for tenders, which amount to about $50.

Mr. WILSON. When you gave us the revenue you gave us the bridges as well as the ferries. What is the expense in connection with the bridges ?

Mr. BRODEUR. I do not see any expense in so far as the bridges are concerned. The expense seems to be entirely in regard to the following ferries between Gower Point and Lapasse, the Quyon ferry, the ferry between Hawkesbuury and Grenville and the ferry between Cross Point and Campbellton. There are no expenses in connection with the bridges. We have simply collected money without having spent anything.

Mr. WILSON. You received some $1,200 and you expended more than you got.

Mr. BRODEUR. No, my hon. friend is mistaken.

Mr. WILSON. I understand you gave an amount of $1,239 as the revenue ? You have given $766, $620 and $50 as the expenditure which would make over $1,400.

Mr. BRODEUR. This amount of $766 has not been spent on the ferries. It has been spent for Yukon law stamps. It has been charged to this vote, but it has not been spent for advertising in regard to the ferries.

Mr. WILSON. How would an ordinary man looking at the accounts be able to tell what this expenditure is for ? I think the accounts should be kept in such a way that any ordinary man going through the Blue-book would be able to tell what the revenue is taken from, and what it has been spent for.

Mr. BRODEUR. If my hon. friend will look at page K—25 of the Auditor General's Report, he will see everything explained there :

Minor revenues—expenditure, $1,507.81.

Out of that the sum $1,394.38 has been spent for law and mining court stamps in the Yukon. We spent about $200 for advertising ferry leases and we have $1,200 of revenue, so that we are on the safe side.

Arts, agriculture and statistics—exhibitions, $200,000.

Mr. BLAIN. What is the increase of $50,000 for ?

Hon. SYDNEY FISHER (Minister of Agriculture). This item covers all the work of the department for exhibition purposes. The vote of $150,000 for the current year was devoted to the closing up of some slight accounts left over and to paying up to the 1st of July next of the expenses in connection with the St. Louis exhibition. The item of $200,000 that is asked for the ensuing year, is estimated on the basis of finishing up everything connected with the St. Louis exhibition, which closes on the 1st December next, and then it is expected that there will be about $75,000 left out of this $200,000 to be devoted to future exhibition work. In explanation of that future exhibition work, I may say briefly that the government a little while ago accepted an invitation to take part in a universal exhibition at Liège in Belgium, which commences next spring, and it is also expected that we will take part in one or perhaps two small exhibitions in England for which we have been discussing the means. These exhibitions are of the nature of annual exhibitions, one in London and one in Liverpool. They are special exhibitions devoted to the provision trade. For some time back representations have been made to me that participation in these exhibitions would be of very great advantage to our trade in provisions—butter, cheese, bacon, eggs, flour, wheat and so on. There is to be an exhibition in autumn of this year in London and one in Liverpool, January next. This latter exhibition is rather a new one, but it is one of an important character and one which reaches very largely the trade in that portion of the country which is so densely populated, in South Lancashire. We have decided to take part in a small degree in these exhibitions, and for this reason, I am asking not only the necessary sum to complete the St. Louis exhibition, but also to make provison for our participation in these exhibitions. The two English exhibitions will be commenced and completed within the next fiscal year. The Liège exhibition will continue after the beginning of the following fiscal year, but I think the amount I am asking for will be sufficient to take in that exhibition up to the 1st of July next.

Mr. TAYLOR. Before we open up the question of exhibitions fully, I desire to say that I asked the hon. the Minister of Agriculture the other night a question, and he told me he would make inquires. I pointed out to him that at page D—19 of the Auditor General's Report, there was a record in connection with the Wolverhampton and Cork exhibitions of an expenditure, as follows :—

Walker, Hiram & Sons, 2 cases Canadian whisky, $20.93.

I asked the hon. gentleman whether he purchased this for his own use or for some of his friends, and he told me that he would have to make inquiries and get the information.

Mr. FISHER. The hon. gentleman knows perfectly well that I did not purchase it for my own use; the insinuation is unworthy of an honourable member. I was not in England ; I had no connection with that exhibition beyond the responsibility as head of the department for the expenditure. I have been informed that this expenditure was made by the commissioner in England on an occasion when there was a large gathering of the journalists of the country, who, before the opening visited the exhibition to inspect it. Apparently this purchase was made for the entertainment of these gentlemen.

Mr. CLARKE. Was it one of the exhibits ?

Mr. FISHER. On some occasions we have had to purchase exhibits, but so far as I understand this was not for the purpose of exhibition.

Mr. TAYLOR. The minister must recognize that he is responsible for the expenditure.

Mr. FISHER. I said so.

Mr. TAYLOR. I was not aware whether the minister visited this exhibition or not——

Mr. FISHER. No, but the hon. gentleman was perfectly aware that I did not buy whisky for my own personal use.

Mr. TAYLOR. Whether the hon. gentleman bought it or allowed his officers to buy it, it is all the same. The hon. gentleman came into the government as a representative of the temperance people, and if he allows his officers to purchase a case of Walker & Sons whisky for the purpose of treating the press or any other representative men, he sinks very low or ought to, in the estimation of the temperance people of Canada. If his officers purchased it without his authority he ought to charge that whisky up to them. Now, in connection with the Osaka, Japan exhibition, I find in the Auditor General's Report, that there is charged to the Hon. Sydney Fisher : travelling expenses, $1,514.57 ; transport expenses. Canadian Pacific Railway to Japan and return, $475.92, total $1,990.49. Then on page

D—26 : Geo. May and Company were paid $40 for a solid leather trunk for the Hon. Sydney Fisher, and then there is a charge of $5.65 for sundries. I understand that the ministers, the same as the members, get solid leather trunks at the opening of each parliament, and this was in the middle of the parliament. I would like the minister to explain this, as well as the $5.65 for sundries. Was it for tips or for other sundries unmentionable or what ? We ought to have a full explanation. In my opinion the government should shut down on these foreign exhibitions. I find that a great deal of this money voted for exhibition purposes is spent in trips for friends. At page D—22 of the Auditor General's Report, we find the following entries : Wm. Hutchison, salary, travelling expenses, tips, &c., $4,647.72 ; S. Anderson, salary, travelling expenses, tips, &c., $2,057.80 ; W. A. Burns, salary, travelling expenses, tips, &c., $2,932.07 ; T. K. Doherty, $1,340.54 ; Robt. Hamilton, $2,-367.06 ; W. H. Hay, $2,126.20 ; M. Hori, $63 ; W. Jamieson, $2,097.75 ; G. Kamada, $225 ; H. C. Knowlton, $1,-768.97. It amounts to a sum of $22,-320 on that page, and it is continued on the others. This money appears to be gobbled up by a lot of officers and friends of the ministers who are sent out on trips to these exhibitions, and I do not know that the country receives any benefit from it. The same state of affairs is going on in St. Louis to-day. There is a wilful waste of money. The minister asked for $150,000 last year and he asks for $50,000 extra this year, making $200,000 in all, and any person who reads the Auditor General's Report and sees how the money is frittered away, must come to the conclusion that Canada receives no benefit from it. If the minister will explain the trunk and the $5.65, and this $2,000 expenses for himself in connection with the Japan exhibition, the country will be pleased to know how it was spent.

Mr. FISHER. Well, Mr. Chairman, I am just informed that this trunk was secured by my secretary for the purpose of carrying papers, documents and literature which was carried over to Japan with me. I have to assume the full responsibility for it, although I may say that this is the first time I knew anything about it. As to the item of $5.65 for sundries, I do not know just now what they are. Apparently the amount was paid to Geo. May & Co., probably for some repairs or something of that kind, or possibly for a despatch box, but I will find out what it was exactly and let the hon. gentleman know. As to the general question of the expenditure for exhibitions, I venture to say that I am well within the judgment of the people of Canada when I state that the expenditure made in this connection has been amply repaid to us in the additional commerce and trade which these exhibitions have brought about, and the credit which has been reflected upon Canada. Many details of this expenditure were entrusted entirely to the officers in charge ; of course as minister I am responsible. I have no hesitation in taking responsibility, because I have chosen men who I believe are competent for this work, and they took charge of it as other officers in my department take charge of the other branches. I do not undertake myself to instruct these experienced officers as to the details of their work ; I choose competent men, I give the work into the hands of these competent men, and I assume the responsibility. I am satisfied that their work shall be judged by the results. As to the Osaka exhibition, I explained on my return what the results were. I have heard compliments over and over again as to the good results of that work. The increase of trade between Canada and Japan and the Orient, as the result of that exhibition, is the best testimony of its success. The total expenditure for the Osaka exhibition was $53,000. I venture to say that the prestige which Canada and her products obtained in the Orient, is ample compensation for that expenditure. In addition to that pecuniary return, we have had opened to us possibilities of future trade which were perhaps unknown before, and which to-day are assured to us if the people of Canada wish to take advantage of them. I cannot at the moment reply any further to the strictures of the hon. gentleman, but I take it for granted that in the course of the discussion other information will be required of me. But I take it for granted that there will be other items on which I will be only too glad to give all the information possible. If I have not now full information, I shall procure it and lay it before the House, because there is nothing in the whole matter which will not redound to the credit of the officers in charge of the exhibitions and of the country.

Mr. TAYLOR. The hon. gentleman says that the expenses in connection with the Osaka, Japan, exhibition amount to $53,000, but according to the Auditor General's Report for 1902-3 there was an expenditure of $59,987.12. Then there is the expenditure for this year, which we have not yet got, because the exhibition is not yet closed. How does he account for the difference ?

Mr. T. I. THOMSON. I would ask the hon. minister what increase there has been in the trade between Japan and Canada since his visit to that country, and on what lines ? I would also call his attention to a statement which I understood him to make with regard to these two cases of whisky. I understood him to say that they had been purchased in England for the representatives of the press, but I find that the purchase was made in Canada, and the liquor was taken with him to England.

Mr. SAM. HUGHES. Are you certain it all reached there ?

Mr. T. I. THOMSON. It was bought from Hiram Walker & Sons and brought to England.

Mr. SAM. HUGHES. If it reached England, it must have paid the duty or been smuggled in. Surely the hon. minister would not have been guilty of smuggling.

Mr. T. I. THOMSON. There is another item, namely, 6½ dozen photographs, $30. Are these pictures of the staff given the press ?

Mr. FISHER. This whisky was not bought in Canada but in England. I find that the Walkers have an agency in England, and the whisky was got there. My hon. friend did not quite understand what I said. I told him that we had an entertainment at Wolverhampton before the actual opening of the exhibition, to which the press of Great Britain were invited. I understand that this whisky was bought for that entertainment, and it was bought in England.

Mr. T. I. THOMSON. In the Auditor General's Report it is entered as Walker & Sons, 2 cases of club whisky. I would infer that it was bought from that firm, whose distillery is in Ontario. The item for photographs is on page D—23, and it says for newspapers. I would imagine that these were the pictures of the staff.

Mr. POPE. Were they taken before they had this spree or after ?

Mr. BENNETT. What was the nature of these papers which were brought over in this $40 trunk ? Are we to understand that the minister's secretary ordered a $40 trunk in which to place some papers, and that the minister knew nothing about it ?

Mr. FISHER. What I say is that apparently this trunk was ordered by my secretary to take over a large number of papers and documents which I had to take to Japan. As these are heavy articles, he ordered a solid leather trunk at a cost of $40. This is the first time that I have seen the charge, and it seems to me high. I do not think that $40 should be paid for a trunk for any person. The papers consisted of a number of official documents on trade and also literature connected with trade and the country generally.

Mr. BENNETT. It seems to me extraordinary that the minister should have a clerk who has so little idea of business procedure that he pays $40 for a trunk and puts some advertising matter into it. What has become of this precious trunk ?

Mr. FISHER. I really cannot say. I suppose it is in the department.

Mr. BENNETT. It is amusing to look over these estimates. In one of them I find that a departmental clerk purchased for himself a fur overcoat. That, however, is not in the hon. gentleman's department. In another case a member of parliament had a fancy writing desk taken to a hotel here, and the country is paying for writing desks for members of parliament, hawked around to their hotels and no doubt taken home with them. It is high time that this thing should be stopped. It is not the amount, but the depth of meanness to which we object ; but evidently some people will descend to anything in order to make a little graft.

Mr. T. I. THOMSON. There is another strange item in connection with the exhibition at Osaka. 24 pairs of rubbers for women, costing $26, were purchased. This will be seen on page D—24, and further down there are 16 pairs of rubbers for men.

Mr. FISHER. Those were all for exhibition purposes. We bought a rubber exhibit and sent it over there. Amongst other articles were men's and women's rubbers.

Mr. T. I. THOMSON. What disposition was made of these rubbers ?

Mr. FISHER. They were sold in Japan, and come under the item 'Refund.'

Mr. POPE. Is it customary to buy the exhibits we take to these places ?

Mr. FISHER. We bought all the exhibits that we sent to Osaka.

Mr. WILSON. How much money has been spent on the St. Louis exhibition so far, and what will it cost ?

Mr. FISHER. The total cost up to the 1st of May, 1904, was $107,000.

Mr. WILSON. What do you expect the total cost of the exhibition to be ?

Mr. FISHER. I am informed that $325,000 is the total sum.

Mr. WILSON. It is not one-half paid yet ?

Mr. FISHER. Oh, no.

Mr. TAYLOR. The minister has not explained how the expenditure has been only $53,000 while the items in the Auditor General's Report total $59,000.

Mr. FISHER. There are items in the Auditor General's Report, which cover the period up to the first of July last year, for nearly $50,000. There is in this years' expenditure a little over $3,000 which makes a total of nearly $63,000. But there is a refund in consequence of the sale of exhibits of nearly $10,000, bringing the net cost down to $53,000 in round figures.

Mr. INGRAM. At these foreign exhibitions does the government buy all the foreign exhibits?

Mr. FISHER. I do not say that because we did that in the Osaka exhibition we

shall buy them for all the exhibitions. There were a few exhibits sent as presents from the people. For instance the Christie Biscuit Company in Toronto, supplied an exhibit of their biscuits, but most of the exhibits we bought and sent over there. We found that the manufacturers and people in Canada were not prepared to send forward exhibits. They looked upon it as a risk and did not know whether they would be able to dispose of them. They did not know what the terms were, or what the trade was, but there were certain lines of goods in which from our inquiries we believed we could open a trade. We were justified in sending an exhibit of these goods by the fact that we found a sale for them and that since then there has been a demand for direct sale to Japan.

Mr. INGRAM. The hon. gentleman's remarks will apply to this item which we are discussing now. There is no intention of supplying exhibits for the St. Louis exhibition is there?

Mr. FISHER. At St. Louis we are first of all making what we may call a government or national exhibit in four chief lines, agricultural products, horticultural products, mining and mineral products, forest products, and we will also have an exhibit of fish and game. These are articles of which private exhibitors could not possibly make exhibits that would be national in their character and creditable to the country. The officers of my exhibition branch have therefore prepared collected and selected articles to make up these four great exhibits. These have been purchased where they could not be obtained otherwise. Then at St. Louis, there are certain private exhibits sent by firms who are anxious to get the eclat of the exhibit for themselves.

Mr. INGRAM. That would apply only to high class exhibits. Are these manufacturing firms?

Mr. FISHER. Most of them are manufacturing firms.

Mr. INGRAM. What class of manufacture ?

Mr. FISHER. There are very few manufacturing exhibits. The Kingston Locomotive Works have sent down a locomotive, the Grand Trunk and Canadian Pacific have made railway exhibits there. Some agricultural implement manufacturers have sent down agricultural implements and perhaps a few others which I cannot at the moment recall. In these cases the exhibits belong to the exhibitors ; we did not purchase them, but we aided the exhibitors in making arrangements for the exhibits. My commissioner has acted as the intermediary for them in dealing with the authorities at St. Louis, but otherwise they have no responsibility and no expense.

Mr. INGRAM. There is not an exhibit of Canadian cheese sent there ?

Mr. FISHER. No.

Mr. INGRAM. For the reason that the duty is too high ?

Mr. FISHER. There are two reasons. I asked the Dairy Association if they wished to exhibit, and at first they thought they would like to but later, on consideration and after consulting with my dairy department, they considered that it was not advisable and would be of no use. An exhibit of cheese from this country to be creditable, would cost about $10,000 for refrigerating &c., and after consultation, it was decided not to undertake such an exhibit.

Mr. INGRAM. Not for the reason that the duty is too high?

Mr. FISHER. Oh, no.

Mr. INGRAM. Excuse me. I attended a cheesemen's meeting in Western Ontario. That question was fully discussed there and it was said that the consumption of Canadian cheese in the United States was not sufficient to induce Canadians to exhibit cheese at that fair, but the chief reason was that the very high rate of duty which Americans levy on cheese sent to that country was a very great barrier to the sending of our cheese to that country.

Mr. FISHER. Possibly.

Mr. INGRAM. That is a correct statement.

Mr. FISHER. Yes.

Mr. INGRAM. We find that they send into this country much more cheese than we send into their country and the high rate of duty they impose on our cheese keeps it out of the United States. Why then, should we not put our duty up as high as theirs and have that a barrier to their cheese coming into this country. Probably if we did that they might reduce the duty on Canadian cheese going into their country and Canadians would have a near market for cheese instead of having to send it the long distance to the British market. I am not finding fault with the government for buying these articles. Possibly that is the best thing to do, but the hon. gentleman has not told us in what way he disposed of the articles. Was it at a profit or at a loss ?

Mr. FISHER. They were disposed of as best the exhibition commissioners could dispose of them in Japan.

Mr. INGRAM. At a loss ?

Mr. FISHER. I could not say whether it was at a loss or not without consulting the books. I am sure that some were sold at a slight loss and some at their full value, plus all the expenses connected with sending them there. I have not the details under my hand showing which of the articles were sold at a loss and on which

expenses were fully recovered. As a rule they were not sold at a loss.

Mr. WILSON. How much money has the hon. minister spent in buying exhibits for the St. Louis exhibition ?

Mr. FISHER. I cannot give the amount spent in buying exhibits. We have spent money in collecting the large exhibits to which I have referred, but I cannot tell how much was spent in purchase and how much in expenses of collection.

Mr. WILSON. What is the total amount?

Mr. FISHER. I have a memorandum showing the expenses on the different branches as follows :

Agricultural section..	$16,350
Horticultural section..	7,700
Forestry..	11,900
Mineral..	23,950

Mr. T. I. THOMSON. The minister spoke of increased trade between Canada and Japan resulting from this exhibition at which he was personally present. Can he tell us what increase took place in the trade since then ? For my own part I do not believe we get any return for the expenditure incurred through these exhibitions. They appear to me to be carried on very extravagantly, and I regret that the Minister of Agriculture (Mr. Fisher) to whom we thought we could look for economical management of his department is as extravagant as any other minister. Would the hon. gentleman tell us in what way, if any, we get a return for these exhibitions through increase of trade.

Mr. FISHER. I will take the most important item first. Until this Japanese exhibition took place Canadian flour was absolutely unknown in the Japanese and Chinese markets. Since that time a very large amount has been sent over. I cannot state the increase from memory but I have under my own observation several orders of car loads each. I know that a prominent Japanese merchant came to Canada soon after the exhibition closed and that he made arrangements with the Ogilvie Company and the Lake of the Woods Company to handle their flour, and that steady shipments have been going on. Take another item. Ever since the Minister of Trade and Commerce (Sir Richard Cartwright) sent an agent to Japan, my own department on behalf of creameries in the Northwest Territories has been shipping a small quantity of butter to Japan. That trade had not increased during the four years we had been carrying it on. It amounted to about half a ton a month. But since the exhibition we have sent over a ton by every ship that has gone out of Vancouver. In other words, it has increased nearly four times. Again within the last week, I received a request from Shanghai from a gentleman who is the director under Sir Robert Hart, of the Customs of China, saying that he had been at the Osaka exhibition—I met him personally when there, and had a good deal to say to him—that in connection with the office he occupied he used a large amount of paper, including quantities for printing purposes, and having seen the paper and pulp exhibit at Osaka he had directed his officers to communicate with me to see if he could not secure his supply in Canada, instead of in Germany or other places in Europe, for he had seen no better paper than that in our exhibit. Various other inquiries have been received in regard to different kinds of goods especially furniture and school desks and other minor lines.

Mr. T. I. THOMSON. I have listened with attention to what the Minister has said, but I cannot see that he has made good his case. He tells us of our paper having attracted the attention of some business man in Shanghai. But there is no evidence that he has purchased any in Canada. Then, he told us that Canadian flour did not reach the Japanese market before his own visit to Japan.

Mr. FISHER. I said that Canadian flour was not known in the Japanese market. I believe that some had been sent by Seattle and Tacoma, but it was known as American flour and not as Canadian. A number of years ago one milling company, I think the Ogilvies' sent a small consignment which they said was a financial failure and nothing further was done.

Mr. T. I. THOMSON. I think it would be a good thing for the minister to have a statement prepared of the trade with Japan the year before his visit and since. Because I am satisfied, and I am sure the people are satisfied, that we get no returns from these exhibitions. If he can show a satisfactory increase of trade as a result of these exhibitions it will be most gratifying ; but, from the remarks of the hon. gentleman himself there is nothing to warrant this large expenditure of money.

Mr. WILSON. I make the total of the figures the minister gave us $55,900. Is that right ?

Mr. FISHER. I have not the total of the four sections I gave. There are additional items in the statement I have before me.

Mr. WILSON. What other items are there ?

Mr. FISHER. There is an expenditure of $33,000 for the Canadian pavilion and everything connected with it, and $52,000 for sundry expenditures, management, collection, &c. The total balance is $145,000. That is the estimate of what these exhibits will cost and not merely what has been spent.

Mr. GANONG. According to the minister's statement, money has been spent for the purchase of exhibits for Osaka and other exhibitions. But I understand that the two cases of club whisky which have been referred to were not purchased as exhibits.

Mr. FISHER. I explained that a few minutes ago.

Mr. GANONG. I might justify the minister for purchasing them for exhibition purposes. If they had been furnished for exhibition purposes and not simply purchased in order that the commission might make an exhibition of themselves, that might be justifiable. But I do not believe the people of this country will justify the hon. gentleman in standing up in this House and telling them that he is actually taking their money in order to give some persons a chance to have a drunken spree over on the other side. Does the minister justify that expenditure ?

Mr. FISHER. No.

Mr. GANONG. Well, he has confessed one of his many sins to-night. All we ask of him to-day is to state to this House that so far as the future is concerned he will instruct his officers that no such expenditure shall be made. Then we will believe some of the doctrines he has preached in this country in favour of prohibition.

Mr. BENNETT. The minister made a sweeping statement as to the export of flour to Japan. According to the return ending the 30th of June, 1903, we shipped to Japan 611 barrels of flour, valued at $2,167. Does the minister give us that as a result of the exhibition ?

Mr. FISHER. What I said a few minutes ago I can only repeat, that since the exhibition closed I am aware that orders have been placed here and the flour has been sent forward, quite a number of carloads. I am not sufficiently familiar with the flour business to know how many barrels are carried in a car.

Mr. POPE. But you made a statement.

Mr. FISHER. I made a statement that so many carloads were orered and went forward, and I repeat that statement.

Mr. BENNETT. The trade and navigation returns show that three or four years ago we were shipping to Japan five times as much flour as we shipped last year. Why, for the year ending the 30th of June, 1901, we shipped 3,000 barrels, as against 600 last year. The minister must think the House and the public are very credulous when he tells us that in consequence of holding this exhibition the sale of flour in Japan has been stimulated. Does not the minister know that the Canadian Pacific Railway Company have had some magnificent ships trading to that country for years, and does he imagine that the Canadian Pacific Railway Company were carrying these over empty from year to year, and that the enterprising men living in British Columbia were standing idly by and allowing this opportunity to slip of shipping flour to Japan ? It is tommyrot for the hon. gentleman to talk about this exhibition, and tell us that the manufacture of some cheap pies and of pastry over there has stimulated the sale of flour. Everybody remembers the pictures the hon. gentleman had distributed all over the country showing the natives of Japan crowding up to a free lunch counter that the Dominion of Canada was providing at the great Japanese exhibition. The returns show, no doubt for a number of years back, ever since the installation of the line of boats by the Canadian Pacific Railway Company, that there have been large shipments of flour. I do not know why our trade has lapsed from 3,000 barrels to 600 barrels, but it is plain that before this exhibition was ever heard of, or the minister either, in Japan, we were shipping large quantities of flour to Japan. The minister must give some better proof than he has done of the results of this exhibition.

Mr. FISHER. I cannot explain the statement the hon. gentleman has made. At the same time, what I have stated is absolutely accurate, that Canadian flour was not known in the Japanese market at all, and we could not find anybody there who had ever seen it or known of it ; and immediately after the exhibition a large number of orders were placed here, and the flour has been going forward.

Mr. BENNETT. Would the minister say that Canadian flour was unknown there, in face of the government returns ?

Mr. FISHER. I will inquire into that.

Mr. T. I. THOMSON. Could the minister tell me what became of the exhibits that were sent to Japan ? I can find the disposition of the exhibits that were taken to Wolverhampton, but I cannot find anything about the disposition of these exhibits that were taken to Japan.

Mr. FISHER. I have just had placed in my hands a list showing that there were $400 worth of goods sold at the exhibition in Japan. I have not got the details.

Mr. T. I. THOMSON. Where is the item in the Auditor General's Report ?

Mr. FISHER. That will appear in this year's report. The sale was not made until the end of the exhibition.

Mr. T. I. THOMSON. I would ask the minister if Canada has an exhibition of live stock at St. Louis, and if not, why not ?

Mr. FISHER. In the first place, the exhibition of live stock at St. Louis does not

begin until next August. In that connection I may make some explanation. There has been a good deal of discussion amongst the breeders in Canada as to the advisability of exhibiting live stock at St. Louis. A deputation came to me last summer and asked that such an exhibit should be made, and asked me to set aside a very large sum, about $120,000, for the purpose of procuring such an exhibit. I felt full sympathy with the breeders of Canada in this regard, because I knew that while some impediments had lately arisen to the sale of our live stock in the United States, still there had been, and is, a large trade, and probably there will be in the future a large trade in thoroughbred live stock with the United States. I therefore discussed the question how we could best secure a creditable exhibit of live stock at St. Louis. While that question was under discussion, certain negotiations took place between my own department and the management of the live stock exhibition at St. Louis. We asked that certain arrangements be made to facilitate the entry of our live stock at that exhibition, that is to say, as to what registration and pedigree of throughbred animals should be recognized as to the various details and conditions of the exhibition. In the course of these negotiations and discussions there was a great deal of correspondence in the agricultural press on both sides of the line, and a good many of our breeders in Canada thought that they would not care to exhibit at all. Not long after the deputation came to see me in Ottawa, I received a letter from one of the leading men in the live stock business in Canada saying that he doubted very much if the very men who asked me to make that arrangement would care to exhibit at all. This came to me as a surprise, and I then took steps to communicate with a number of the live stock breeders in this country. A little while after that the various breeders' associations of Canada, held their meetings in the course of the autumn and early winter, and I think I am speaking correctly when I say that in every one of those meetings of the breeders' associations, discussions arose and resolutions were passed declaring that the associations considered it inadvisable to exhibit live stock at the St. Louis exhibition.

Mr. GILMOUR. Did they give any reasons ?

Mr. FISHER. Various reasons were given. I do not remember that they were embodied in any of the resolutions sent to me, but I think in some of them they were. The reasons were that they were not satisfied with the conditions which were published, they were not satisfied with regard to the terms upon which Canadian exhibitors could exhibit. I also understood, though I do not know that it was so stated in any of the resolutions, that they were hopeless of a continued market in the United States for their cattle, and especially did they find difficulty in regard to the sale of the animals that were sent to the St. Louis exhibition.

Mr. INGRAM. That was the chief complaint ?

Mr. FISHER. One of the chief complaints was that customs regulations of the United States were such that no Canadian animals sent to the St. Louis exhibition could be sold there and left in the country. The breeders did not want to take their animals to St. Louis and go to the expense and trouble of exhibiting them and having to bring them back. These various resolutions were passed and forwarded to me. I had a great many communications and a great deal of discussion sometimes with individuals and sometimes through my officers who attended these various meetings of breeders' associations and I found the differences of opinion in regard to the advisability of exhibiting at St. Louis were very great, but what I might call the official or formal statement of the chief breeders of this country declared against exhibiting at St. Louis. Then we came to about the middle of winter or early this spring, when I began to receive individual letters from various men saying, that, notwithstanding that the breeders as a body had decided not to show, they individually would like to show and asking what I would do to aid them. I discussed this again with various people with whom I came in contact, and in some letters and I also asked that my live stock commissioner, Mr. Hodgson, should communicate with and meet these people. I have had a very considerable amount of difficulty in determining as to what it was best to do, however, in view of the representations made to me by individuals, I have caused a letter to be prepared to be sent to the different breeders' associations, to individuals who have been communicating with me and to the press, to the effect that while there are differences of opinion and while resolutions have been formally passed by the different breeders' associations it seemed to me to be impossible to secure what I might call a really national, creditable exhibit of live stock at St. Louis ; nevertheless as there seemed to be a considerable number of individuals who wish to exhibit, I would facilitate their exhibition in every way possible, and I would grant to them this pecuniary assistance that I would give to every exhibitor who secures a prize a sum equal to the amount of the prizes that he secures at St. Louis. That is to say that I would double the prizes by granting to every individual securing prizes at St. Louis the full amount of the prize he takes. That would be a very considerable help to those who exhibit their stock because I feel confident that anybody who, on his own responsibility, takes animals to St. Louis would take

such good animals and would be so successful that he would get a fair share of the prizes, a larger share of the prizes than would be expected from the number of animals. Therefore, I would supplement the prizes secured by these Canadian exhibitors with an equal amount so as to assist them in paying their expenses. I do not know if the announcement has yet been sent out, but it will be within a day or two if it has not already gone to the press and to the associations.

Mr. INGRAM. The hon. minister has not referred to the persons with whom he corresponded on this question. May I ask if any of the American consuls had any correspondence with him and if the department entered into any discussion with the authorities at Washington in respect to this question of the exhibition of cattle?

Mr. FISHER. I do not remember that we corresponded with the people at Washington. I felt that the exhibition authorities at St. Louis, who seemed to be extremely anxious that we should exhibit there would be able to exert a greater influence with the Department of Agriculture and the Department of Customs at Washington than we could. I do not remember that we communicated with Washington at all. I think we negotiated only with the authorities of the St. Louis exhibition, pointing out to them the difficulties that our exhibitors felt and asking them to try and exert their influence with the Washington authorities to remove these difficulties.

Mr. INGRAM. The American consul in my district interested himself very much in trying to remove the friction that existed between the prospective exhibitors of cattle in this country and the St. Louis authorities, and I understand from his correspondence that he had in some way satisfactorily arrange the matter. I do not know what has taken place since, but it does seem to me that the Department of Agriculture should have communicated with the government at Washington and asked them to bring whatever pressure they could to bear upon the proper authorities at Washington, pointing out that this was a very important question and that something ought to be done in regard to it in the interest of live stock exhibitors generally.

Mr. FISHER. My reason for not doing that was that I felt that the St. Louis exhibition authorities who were being endorsed and supported and backed up by the Washington authorities would be more likely to be able to exert an influence upon the Washington departments than we would be. That may have been an error of judgment on my part but that is the view I took, and that is the reason that I left it in their hands. Independently altogether of the St. Louis exhibition I have had communications with Washington as to the difficulties of the customs regulations there, and I regret to say that we have not had any very great consideration shown to our representations. On the contrary, the Washington customs authorities, I think stimulated by the Department of Agriculture at Washington, have been making their customs regulations more and more stringent all the time instead of relaxing them in any way.

Mr. INGRAM. Can the hon. minister give us any idea as to how American exhibitors are treated in Canada, at Toronto, for instance. Last year we held a Dominion exhibition at Toronto and there was a large number of Americans present. Was there any such one-sided arrangement in dealing with the American exhibitors at Toronto as that under which the Canadians are dealt with at St. Louis ?

Mr. FISHER. No, we gave the American exhibitors every facility possible in bringing their animals in here. The Toronto exhibition authorities arranged with the Customs Department to have these animals brought in and to be held in bond. If they were sold here instead of being taken back to the United States every facility was given for such sale. But, our regulations in regard to customs governing the importation of thoroughbred stock and other stock from the United States have never been characterized by the impediments that the regulations of the United States offer to the admission of Canadian stock. I may say in regard to that for the information of the committee, that at a meeting of the live stock breeders of Canada held at the opening of this session, these gentlemen urged very strongly that we should retaliate against the United States, that we should adopt the same regulations in regard to the free entry of thoroughbred animals from the United States that they have adopted towards us. At the present moment my department is busy looking into the question of registration, and the question of what registers and what pedigrees our customs authorities ought to recognize. Heretofore, our customs authorities have been very liberal indeed in recognizing almost any pedigree that was presented to them for an animal claimed to be thoroughbred so as to get free entry under our customs law. We have not put any impediments in the way. I think we have been too easy in that respect and I know as a matter of fact that certain animals have come into the country free of customs duties which were accompanied by pedigrees which were absolutely worthless for breeding purposes in this country, which would not have been recognized by any breeders' association at all and yet the purchasers thought they were getting animals that were thoroughbred and registered in such a way that

the progeny would afterwards be admitted to register here when, as a matter of fact, they would not be. This is a condition of affairs that ought to be remedied, and one which to-day my live stock commissioner is engaged in studying so as to find out what pedigrees our customs authorities ought to recognize and what they ought to reject. This is a seriously complicated question, one that presents considerable difficulties, and one which must be handled with the greatest care so as not to injure the interests of those who have been breeding thoroughbred live stock in this country. It is a question which deserves great consideration, and ought to be dealt with as soon as possible.

Mr. INGRAM. Instead of communicating with the authorities of the exhibition, my opinion is that diplomatic courtesy would have required the Minister of Agriculture to communicate in the first place with the authorities in Washington. It would appear to me that in these matters, Canadians offer fair and reasonable terms to the American people ; we were willing to reciprocate and are met with retaliation. The minister would be justified in retaliating against such treatment as that. Let us stand on our own dignity. We are just as good as our friends across the border ; we expect fair treatment in return for fair treatment, but if we do not get fair treatment, let us stand on our rights and give them the same treatment as they give us.

Mr. GILMOUR. This change was made within the past few years?

Mr. FISHER. Yes.

Mr. GILMOUR. As the United States law now is, an American citizen can come over here and buy thoroughbred stock and take it back free of duty, but a Canadian is not allowed to send thoroughbred stock into the United States free of duty.

Mr. FISHER. That is it.

Mr. GILMOUR. Was any remonstrance made by this government when the change was made ? What was the object of the United States government in making such a law ?

Mr. FISHER. I did not ask the reason why they made the law, I may say frankly that the communications I have had of late with the Department of Agriculture at Washington with regard to this matter, have been so unsatisfactory that I have felt it was hardly consonant with the dignity of Canada to make a protest. They told us practically that they were going to regulate their own affairs to suit themselves and they did not care what we thought about it. Some years ago, Mr. Wilson, the United States Secretary of Agriculture, told me in his own office in Washington in so many words : I believe that we in the United States have come to the point where we do not want to import any animals from anywhere, and I am not going to do anything to facilitate importations from Canada or from Europe. In view of such a statement I felt that it was not in keeping with the dignity of this country to plead for a relaxation of their arrangements. I feel very much as my hon. friend from East Elgin (Mr. Ingram) has expressed himself. It is evident that of late years animals have been imported free of duty into Canada, which were not pure bred in the proper sense of the word. Our customs authorities have been in the habit of recognizing anything in the shape of a certificate of registration and to my knowledge many of these certificates are certificates of registration in herd books which are not of any value as to the breed. Many animals have been brought in here as thoroughbred, which for all practical purposes were grade animals. Apart from any question of retaliation, it is high time that we should see to the registration which entitles an animal to come in free of duty. When first this matter was discussed with the St. Louis exhibition authorities, they expressed their desire to facilitate our exhibits in every possible way as regards customs arrangements.

Mr. GILMOUR. What was their proposition ?

Mr. FISHER. Their proposition was that the animals should be subject to the ordinary law. My hon. friend (Mr. Gilmour) is right in saying that within a year and a half, these restrictions have been greatly increased in the United States. Before that, pedigree animals were allowed in free of duty, but the customs authorities made a ruling that an animal could only be sent in free of duty when it was going to be used for breeding purposes by the person importing it. A man in British Columbia sent some horses over the frontier for sale, and he was forced to pay the duty. Shortly afterwards, an amendment was made to the United States customs law which said that only American citizens could import animals for breeding purposes or for sale free of duty, and at the present time no Canadian can take an animal into the United States free of duty and dispose of it there.

Mr. GILMOUR. There is the chief reason for the Canadian breeders not exhibiting any kind of stock at St. Louis.

Mr. FISHER. That is one of the chief reasons, but there are a number of others as well. The whole question is pretty complicated, and a great many minor difficulties accumulated to bring them to the conclusion to which they seem to have come.

Mr. GILMOUR. Then there will be no live stock there ?

Mr. FISHER. Yes, there will. A good many individual breeders want to take animals there—horsemen, sheepmen, swinemen, but hardly any cattlemen.

Mr. INGRAM. I am surprised to hear the hon. minister say that the Minister of Agriculture at Washington spoke so very discouragingly and did not wish to reciprocate in any favours at all with our department. Surely the United States minister at Washington could not have looked up the trade and navigation returns of Canada. If he had, he would have found us in this unfortunate position, that while we exported to the United States 10,432 cattle valued at $292,288, we imported from the United States 37,527 cattle valued at $472,689. Or there was a balance of trade in favour of the Washington Agricultural Department of $180,401. Instead of this government keeping its duty at 20 per cent and allowing American cattle to come in to the extent of $180,401 in excess of the amount we send to the other side of the line, I would ask the hon. minister to use his influence with his colleague the Minister of Finance and try and induce him to raise our duty to 27½ per cent. We would then have Canadian and American farmers on an equal footing. Then we would be advancing a step in the way of protecting our own interests. I could go through the whole list of agricultural products and make the same kind of argument. They do not show much discretion on the other side when they talk about retaliation and as not being willing to reciprocate favours, and I would implore the hon. gentleman to use his influence with the Minister of Finance in order that the latter may give Canadians a fair chance.

Mr. FISHER. The amount of cattle brought from the United States includes settlers' cattle, of which there is a very large number.

Mr. INGRAM. That makes no difference.

Mr. FISHER. A large number also are brought from the United States by our ranchmen in western Canada for the purpose of fattening and re-exporting.

Mr. CLANCY. To the United States ?

Mr. FISHER. No, to England. Young animals, what are called store cattle, are brought in and fattened or used for breeding purposes and either they or their products are exported to England in fit condition. Some of our ranchmen have gone as far as Mexico and have brought Mexican cattle across through the United States. I have had to put some restrictions on the importation of these for sanitary and quarantine purposes, but have had an earnest protest against any such restriction, as the ranchmen inform me it is absolutely necessary for their business to import these cattle. These cattle are practically the raw material of our ranchmen.

Mr. INGRAM. I am afraid the hon. gentleman is becoming a little bit of a protectionist.

Mr. FISHER. No, I have always been in favour of free raw material.

Mr. INGRAM. The ranchman is a manufacturer of beef the same as any manufacturer is, the manufacturer of agricultural implements.

Mr. FISHER. Quite so.

Mr. INGRAM. Does the hon. gentleman pretend to say that these men, who are few in number, are to be encouraged to the detriment of the great class of agriculturists throughout Canada ? Are you going to discourage our cattle raisers by allowing that kind of thing to continue much longer ? If the hon. gentleman will give us the total amount of cattle raised in Canada in 1901, then we will be in a better position to form a conclusion. If the hon. gentleman will raise the duty to 27½ per cent, then let these cattle come in, and we will be able to send cattle into the United States on the same footing.

Mr. GILMOUR. With regard to dealing with the Americans, I would not retaliate for the mere sake of retaliation, but only on business principles ; and on business principles I do not believe in the importation of young cattle from Mexico and the United States. That import is a source of danger because it may bring in disease. The hon. minister has said that these young cattle are our raw material, but we are raising the raw material in this country to a very large extent, and we ought to protect our own herds that are raising the raw material and encourage them to raise more. And the more we encourage the raising of the raw material in this country, the more rapidly will we bring about that condition of things when we will supply the country further south with the young cattle it requires. I do not at all believe in allowing these little cattle to come from away down south bringing with them Texas ticks, or these little horses bringing in what I need not mention, but what the officers of your department report as dangerous. That is my opinion about retaliation. I believe in dealing with our neighbours on business principles, and on business principles I advise you to look after that business which is going on and which has been going on for two or three years. I want the minister to remember that it is only a very few years since the Americans were up in Manitoba paying such prices for young cattle there that the ranchers in the west could

not meet them. That state of things will come about again. It is not worth while for a short period to allow these young cattle to come in as they have been coming in for the past two or three years. It only sets back the period at which we would meet the demand ourselves, if you allow that raw material to come in in competition with the raw material which you may produce yourself.

Mr. INGRAM. When our American friends want to meet a case of that kind they lower the duty to suit their own purposes and then when their purposes are served they raise it again to suit themselves. If they find it to their advantage to lower the duty and then to increase it they do so. They have not a stationary tariff as we have and I would treat them exactly as they treat us. I do not consider that retaliation at all. Is it not a fair business proposition that if it is good for them after all the years of experience they have had, to adopt this course a similar course must be good for us under like conditions ? We have not yet had the same experience which they have had with the tariff and I think a leaf out of their book in that respect would be a step in the right direction. It is a business transaction not a party transaction.

Mr. FISHER. I do not want to discuss the tariff to-night. I may however, say that while in no way retaliating or considering what the Americans do, I think we ought to try to regulate our affairs entirely to suit ourselves to protect our interests and to make our people as prosperous as possible. The condition of affairs changes from time to time, as my hon. friend from Middlesex (Mr. Gilmour) said. A few years ago the Americans were buying cattle in Canada and taking them across the line because at that time we had not as great a demand in Canada for cattle as they had. To-day owing to the enormous influx of people into the west and the general prosperity of the country, there is a demand for cattle which our own people cannot supply. Under these circumstances our people have had to go south in order to get the animals they want.

Mr. INGRAM. What about the 10,000 we sent there ?

Mr. FISHER. My hon. friend knows that those are sent from one part of the country while the others cross the border in another section. Those 10,000 cattle did not go from the Northwest Territories south. In that region the stream is north. These animals went into the eastern states for different purposes and some of them entered at the extreme west. They went to the States because our breeds have been recognized in the United States as being better and notwithstanding all the obstructions and restrictions which the Americans avowedly wish to place on the importation of Canadian thoroughbred stock into the United States, we still send a very considerable number of these cattle across the line. Despite all their efforts to shut us out our cattle are so good and the demand for our best cattle amongst the breeders of the United States is so great that they still have to come to Canada for their stock.

Mr. CLANCY. Does the hon. gentleman approve of a large number of young cattle coming in from the American ranches to be placed on Canadian farms ?

Mr. FOWLER. If our ranchers find they cannot get supplies sufficient for the interest of their business in Canada I am glad to see that they are enterprising, business-like and bright enough to get these supplies wherever they can on a profitable basis. If our people in Canada would never go abroad to get anything we would continue to be a small and poor nation.

Mr. BLAIN. Would my hon. friend the Minister of Agriculture regard it as in the interest of Canada that our duty should be placed high enough to cause the ranchers to breed these cattle in the Dominion of Canada and fatten them in this country rather than to import them ? Do I understand him to say that in his opinion it is better as opportunity presents itself to allow the ranchers of western Canada to purchase their lean small cattle in the United States and to finish them in western Canadad.

Mr. COWAN. We ship our small cattle into the United States which are unfit for fattening purposes.

Mr. BLAIN. My hon. friend has not a very high opinion of the United States people. United States people have no idea of building up their nation by importing small Canadian cattle into the United States to fatten. That is not the policy of the United States.

Mr. COWAN. They do it ; I do not know their policy but they do it. Cattle unfit for export to England are shipped by hundreds into the United Stats.

Mr. BLAIN. What for.

Mr. COWAN. I do not know what for, all I know is that we get American money for Canadian stockers, cattle that we cannot ship to England.

Mr. BLAIN. Does my hon. friend think that we cannot keep them here ?

Mr. COWAN. Yearlings and calves and two-year olds have gone in by hundreds ever since the quarantine regulations were removed.

Mr. BLAIN. Does my hon. friend think it is a good policy for the Canadian farmer

to breed small cattle and send them into the United States ?

Mr. COWAN. I do not consider it good policy for a Canadian farmer to sell anything off the farm that cannot walk off, but if he has something which is unfit for him to fatten or to ship to European markets or for which he cannot find a market in Europe, then if he can find a market for it in the United States, I consider it decidedly good policy.

Mr. BLAIN. My hon. friend says he does not think it good policy to export anything we can fatten in this country ?

Mr. COWAN. Anything we can fatten with profit to the man who raises it.

Mr. BLAIN. Why does he then support a government which says it is good policy to import these into Canada and fatten them here ?

Mr. COWAN. Because he may import something that it is profitable for him to fatten, and export something that is unprofitable for him to try to fatten.

Mr. INGRAM. This is a very serious matter so far as the county I represent is concerned. For the year 1902, which is the latest year for which I can get statistics—and these I take from the public documents of Ontario—we sold or slaughtered 20,782 head of cattle valued at $727,370, or $35 per head ? Now the location of my county is similar to that of the hon. member for South Essex (Mr. Cowan) we live between Detroit and the Niagara rivers. Trainload after trainload of American cattle pass through his city and mine. That is of rather serious consequence to the farmers of our section.

Mr. COWAN. These are cattle in transit from the western to the eastern states.

Mr. INGRAM. Certainly.

Mr. COWAN. And if they did not pass through the hon. gentleman's (Mr. Ingram's) county and mine they would be switched off at Toledo and go south of Lake Erie to Buffalo, passing entirely through United States territory. The shorter route is through Canada.

Mr. INGRAM. I agree with the hon. gentleman's statement, but I do not quite see the object of his interruption.

Mr. COWAN. I did not mean to interrupt the hon. gentleman (Mr. Ingram). I may not have caught exactly what he said. But I understood him to speak of trainloads of cattle passing through my county and his, and I thought the facts that I have mentioned important in that connection.

Mr. INGRAM. I have not arrived at the point where the interruption would come in. But I shall reach that point soon. I was going to point out that the Americans would have an unfair advantage over our cattle growers in connection with this trade, if the duty were one sided, for it would be a simple matter for them to drop off certain of these carloads of cattle to compete in our markets with our cattle.

Mr. COWAN. The hon. gentleman (Mr. Ingram) knows better than that.

Mr. INGRAM. Let us see. Suppose that this government were to reduce duty from twenty per cent to ten per cent while the Americans, instead of leaving their duty at twenty-seven per cent, were to raise it to thirty-five.

Mr. COWAN. Say forty.

Mr. INGRAM. I want to accommodate my hon. friend, so, let it go at forty. Under these circumstances does he not think the Americans would have a great advantage with these trainloads of cattle passing through our country ?

Mr. COWAN. Not a bit.

Mr. INGRAM. Of course, I cannot see it through the same spectacles as my hon. friend (Mr. Cowan). But I know that the people of Elgin regard this as a very serious matter. Let me give the hon. gentleman an instance of what may be seen in the small cities of New York state, and that might reasonably occur in the cities of Ontario. Let my hon. friend, some Saturday, drop down to Ogdensburg and, before entering the city, let him pass through eight or ten miles of country on the American side and talk with the farmers there as he has opportunity and find out how many cattle the farmers in that neighbourhood are raising and compare the number with the number of cattle in the neighbourhood of Windsor where he lives. Then let him go to Ogdensburg and find the condition of the meat trade there. He will find butchers there carrying on business as everywhere else. But he will not find them buying from the farmers in the neighbourhood of Ogdensburg to any great extent. And Why? Because the big meat industries of Chicago send in their frozen meat into Ogdensburg and suppply the butchers directly. The moment a butcher tries to buy stock from the farmers about Ogdensburg he is closed up because he cannot compete with the frozen meat imported from the great operators in Chicago. If hon. gentlemen opposite remove the duty, we shall be reduced to the level of the United States in this respect and the conditions that we find about Ogdensburg will exist about St. Thomas or Windsor. Now, in the matter of corn—

Mr. COWAN. We are talking about meat.

Mr. INGRAM. I know the hon. gentleman does not want to hear about corn.

Mr. COWAN. On the contrary, I am most anxious.

Mr. INGRAM. The hon. gentleman is in favour of a duty on corn.

Mr. COWAN. I am in favour of the policy of the present government.

Mr. INGRAM. Is the hon. gentleman in favour of the removal of the duty ?

Mr. COWAN. The duty was removed from corn so far as our cattle feeders were concerned, but not so far as the distillers were concerned.

Mr. INGRAM. Did the hon. gentleman approve of the removal of that duty ?

Mr. COWAN. Most decidedly. I voted for it.

Mr. INGRAM. I am glad to hear the hon. gentleman state that. He is more outspoken than the hon. member for West York (Mr. Campbell).

Mr. COWAN. Mr. Chairman, I have no desire to prolong this discussion, but it seems necessary to say a word or two. My hon. friend from East Elgin (Mr. Ingram) closed on the question of corn. The people of my district,—the people of the counties of Essex and Kent and extending into West Lambton and West Elgin are the largest corn producers in the Dominion of Canada. Under the policy of hon. gentlemen opposite when they were in power, if a man wanted to import corn for the distillers, to be made into Canadian whisky and in that form to be exported, he got it free of duty or, at least he got a rebate of 90 per cent—

Mr. FISHER. Ninety-nine.

Mr. COWAN. I was not exactly sure of the figures, and I wanted to give the hon. gentleman (Mr. Ingram) the benefit of any doubt. He shook his head at ninety, will he shake his head at ninety-nine ? I want to put this fairly. If a Canadian distiller wanted to import Canadian corn to make Canadian whisky and export to the United States for the Yankee to drink, he got ninety-nine per cent of a rebate on the duty he paid on the corn. But if a Canadian cattle grower, a Canadian farmer, wanted to import American corn to fatten Canadian cattle to ship to the British markets he had to pay the duty and he got no rebate. This government came in and they said : That is unfair to the man who fattens Canadian cattle and at the same time it gives an undue preference to the man who makes Canadian whisky. They say that if a man wants to import American corn to fatten Canadian cattle for the British market he shall stand upon the same basis as the Canadian distiller. And that is why my hon. friend rose in his place to-night as the champion of the Canadian distiller for the purpose of manufacturing whisky for the American drinker instead of supplying the British consumer who wants to eat Canadian beef fattened upon American corn. The hon. gentleman speaks about Ogdensburg and Chicago. Do I understand the hon. member for East Elgin (Mr. Ingram) to say that a farmer who fattens a bullock near Ogdensburg has to kill it or ship it to the city of Chicago to be killed, and then ship it all the way back to Ogdensburg in order to sell it to the consumer in Ogdensburg ?

Mr. INGRAM. Does the hon. gentleman want an answer now ?

Mr. COWAN. Most decidedly, I would like to hear an answer to that.

Mr. INGRAM. I gave the hon. gentleman credit for more sense than to make such a statement. I have always advocated, as a protectionist—and I believe no protectionist does otherwise—that the nearer you get your farmer to the market the better it is for him. I never supposed that a farmer would fatten stock at Ogdensburg and send it to Chicago to be killed and then bring it back again. If that is the hon. gentleman's idea of trade matters, then I should not think he would be very hard to answer. While I am on my feet, as the hon. gentleman is dealing with corn——

Mr. COWAN. No, I am not asking about corn ; I was speaking of bullocks—I stick to that word—and I understood the hon. member for East Elgin to plead that because the farmers near Ogdensburg were overcome by competition with meat from the city of Chicago——

Mr. INGRAM. No.

Mr. COWAN. Every man who heard him understood that was his argument.

Mr. INGRAM. I will speak again for my hon. friend's advantage ; he is not very clear. What I said was that the difference between the neighbourhood of Windsor and the neighbourhood of Ogdensburg must be considered. In the neighbourhood of Ogdensburg the farmers do not raise cattle to the extent they do near the city of Windsor, for the reason that the former do not find a favourable home market at Ogdensburg. Why ? Because the frozen meat brought into Ogdensburg from Chicago by cold storage gives them such an unfair competition that they cannot compete with it.

Mr. COWAN. Now I think I understand the hon. gentleman. He means that the farmers near Ogdensburg do not find as ready a market for their beef as the farmers near the city of Windsor, on account of competition from the city of Chicago, which drives the people of Ogdensburg from the home market What better argument then does my hon. friend want for the farmers of the county of Essex, when he considers that the city of Windsor, or the county of Essex, lies 400 miles nearer to Chicago than the city of Ogdensburg ? Whatever the reason may be, whether it is duty or no duty, granting that it is the duty, then do I find that my

hon. friend is complaining against this government for preserving the duty ?

Mr. INGRAM. Not at all ; I am finding fault because they do not increase it.

Mr. COWAN. Why do you want to increase it when there is no complaint from the county of Essex, which lies 400 miles nearer Chicago than Ogdensburg, and when there is a complaint from the state of New York, where the higher duty prevails and not from the county of Essex ? I want to tell my hon. friend that seven years have come and gone since the wiser policy was inaugurated. Let me tell my hon. friend from East Elgin that if he will go into the matter of the shipments of cattle and meats from the United States into Canada, or of farm products from Canada into the United States, he will find by the statistics of the two countries that every farmer in the Dominion of Canada sells $5 worth to the Americans for every $1 that an American sells to Canadians in farm produce.

Mr. BLAIN. What kind of farm produce ?

Mr. COWAN. All kinds. I will tell the hon. member for Peel (Mr. Blain), who is now looking up the statistics, that last night I listened to him, and I listened to the hon. member for Jacques Cartier (Mr. Monk), when they were discussing the question of market-garden produce ; and if he will take farm produce, he will find that every Canadian in the Dominion of Canada sells $5 worth to the Americans for every $1 that an American sells to the Canadians. Now, I do not want to be misunderstood, Mr. Chairman; I do not want to go upon the record as saying that that is a fair comparison.

Mr. BLAIN. Oh, oh.

Mr. COWAN. True ; but I do not want the hon. gentleman to fall into the error that Mr. Watson Griffin fell into in St. John. When you are quoting exact figures and exact percentages, remember that you are dealing with a nation of five and a half millions alongside a nation of eighty millions. When you start out by dealing with the percentage of purchases from the 80,000,000 of the United States instead of with sales from the Canadian people to the 80,000,000, then you fall into the same error in argument that I am to-night apologizing to the committee for advancing. It is an unfair comparison; but if it is fair for you to indulge in percentage of purchases, it is equally fair for me to indulge in percentage of sales. I will go a step further, and I tell the hon. member for Peel that he can place the population of the Dominion of Canada at 6,000,000 and of the United States at 75,000,000, and he will find that every Canadian in the Dominion of Canada sells to the American republic $5 worth of merchandise for every $1 worth of merchandise that every American sells to the Canadian.

Mr. COWAN.

I go one step further, and I tell him that when he comes down to the question of farm produce—yes, Mr. Chairman, and he can include in that bananas—yes, he can include pine-apples, and lastly, he can go to the high ideal of politics of hon. gentlemen opposite, and he can include peanuts —put that in the category also, and I tell him that every Canadian in the Dominion of Canada sells $4 worth of farm produce, even including pine-apples, bananas and peanuts, to the American people for every $1 worth that they sell to Canadians. And the sooner hon. gentlemen opposite get out of their swaddling clothes and realize that one Canadian can get a better meal off sixteen people in the United States than sixteen people can get off one Canadian, the better it will be for the hon. gentlemen opposite.

Mr. BLAIN. Mr. Chairman, I thought a circus was going on in some other part of the city, but it appears a portion of it is left in the House of Commons for us to deal with.

Mr. COWAN. That is since the hon. gentleman rose to his feet.

Mr. BLAIN. The question of farm products is the question under consideration. My hon. friend has made a very sweeping statement but has given no facts to the committee. May I be permitted to ask the hon. gentleman to name one article of farm products we export to the United States more than we import ? Would the hon. gentleman say one ?

Mr. COWAN. Yes.

Mr. BLAIN. Does the hon. gentleman say we export more than we import of farm products?

Mr. COWAN. If the hon. gentleman wants to know what we import I say bananas, peanuts, oranges, pineapples.

Mr. BLAIN. The hon. gentleman cannot play anything but the clown. We are not responsible for that and I am sure the hon. Minister of Agriculture will not feel grateful to the hon. gentleman for interrupting his estimates in this way. My hon. friend made the statement a few moments ago that we exported more farm products to the United States than we imported.

Mr. COWAN. No, no ; pardon me.

Mr. BLAIN. Yes, yes ; none of your nonsense. My hon. friend made that statement.

Mr. COWAN. No. I am satisfied that the hon. gentleman for Peel does not want to be unfair. He may have misunderstood me.

Mr. BLAIN. I could not misunderstand the statement of the hon. gentleman, but I will give him an opportunity to make it again.

Mr. COWAN. The hon. gentleman must see the unfairness and fallacy of comparing two nations, one of seventy-five million or eighty million and the other with less than six million, on the question of percentage of purchases. Percentage of sales would show on the other hand an equally fair statement for the other side. I did not say we export to the United States of any article a greater quantity or value than we import. We may but I am not prepared to say we do.

Mr. BLAIN. You said so here.

Mr. COWAN. No, no. If my hon. friend will listen to me I will explain. If my hon. friend will base his statement on seventy-five millions of Americans and five and a half millions of Canadians he will find that every Canadian sold five dollars worth to an American for every one dollar's worth that an American sold to a Canadian.

Mr. BLAIN. I cannot understand the the hon. gentleman's explanation. It is entirely different from his former statement to the committee.

Mr. COWAN. No.

Mr. BLAIN. My hon. friend says 'no.' Surely my hon. friend has not been listening——

Mr. COWAN. Will my hon. friend from Peel pardon me for a moment ? I will give him the exact figures as I have them. We sold to the Americans $50,000,000 worth of merchandise. That is, each Canadian sold $8.25 worth. They sold to us $128,000,000 worth or $1.60 for every American. In other words every Canadian sold to an American $6 worth for every $1 worth that an American sold to a Canadian.

Mr. HACKETT. What sort of an argument is that ?

Mr. COWAN. If my hon. friend from Prince West (Mr. Hackett) will allow me——

An hon. MEMBER. That is rot.

Mr. BLAIN. Just allow the hon. member for Essex to proceed.

Mr. COWAN. Then our sales of farm produce amount to $8,000,000. That is $1.33 per head of the population of Canada.

Mr. CASGRAIN. Not bullocks.

Mr. COWAN. My hon. friend from Montmorency (Mr. Casgrain) cannot get the word 'bullock' out of his mind. I am sorry I mentioned it. In fact I am sorry I did not mention cows because that would not have disturbed the hon. member for Montmorency. To go back to farm produce we sold over $8,000,000 worth and on the basis of six millions of a population that is $1.33 per head of the Canadian population. The Americans sold to us of farm produce $17,400,000, or call it seventeen and a half millions worth. That means 21½ cents worth that every Yankee sold to a Canadian as against $1.33 worth that every Canadian sold to an American. Therefore, it justifies my expression that I thought six million Canadians could get a better meal off seventy-five million Yankees than seventy-five million Yankees could get off six million Canadians.

Mr. BLAIN. I do not wish to follow those strange utterances of the hon. gentleman. I may say to hon. gentlemen opposite that I would not wish to make an exhibition of myself like that.

Mr. COWAN. I hope that is not a reflection.

Mr. BLAIN. As soon as my hon. friend gets quieted down we will proceed with the question under discussion. We were discussing the question of farm produce imported into Canada and exported from Canada to the United States. I asked the hon. gentleman a simple question and he has been unable to answer it. He made the sweeping statement that we exported more farm products to the United States than we imported, and when I ask him to give one fact in support of that statement he could not do so.

Mr. COWAN. Me ?

Mr. BLAIN. Yes.

Mr. COWAN. Not at all. I pulled from my pocket a paper and from that paper I gave the hon. gentleman the figures. I can very readily understand, that, after reading the speech of Watson Griffin, it is very difficult for my hon. friend to understand it. What I said was that we exported eight million dollars worth of farm produce and imported $17,400,000 worth.

Mr. BLAIN. Pardon me.

Mr. COWAN. Will my hon. friend pardon me when I tell him that six million people sold to the United States $8,000,000 worth of farm products and that the United States with a population between seventy-five million and eighty million, fifteen times our population, only sold to us $17,400,000 worth. I hope I will not be misunderstood now when I tell the hon. gentleman that every Canadian sold to an American $1.33 worth of farm produce while each citizen of the United States sold to us 21½ cents worth; in other words that every Canadian in the Dominion sold to the United States $6 worth of farm produce for every $1 worth of farm produce that an American sold to a Canadian.

Mr. BLAIN. Now that my hon. friend has repeated that four or five times I hope he is satisfied.

Mr. COWAN. And I hope you understand it by this time.

Mr. BLAIN. Surely my hon. friend does not want me to understand the figures that were handed to him by the hon. member for Brant (Mr. Heyd) because he does not understand them himself.

Mr. COWAN. No, these are my own. These others are the figures of my hon. friend from Brant. The figures of my hon. friend from Brant are down here.

Mr. BLAIN. Perhaps that is a better explanation of why they are not good authority.

Mr. COWAN. I have these in my inside pocket.

Mr. BLAIN. I think my hon. friend must have brought them in his pocket, but leaving that question aside my hon. friend was casting some reflection upon the remarks I addressed to the House last night upon the trade between Canada and the United States in respect to farm products.

Mr. COWAN. No, I supposed you were dealing with purchases instead of sales. No man is fairer than the hon. member for Peel ; I cast no reflection on him ; I did not challenge the figures he quoted. But I did blame him that he was dealing with purchases instead of sales. I dealt with sales. I do not say it is a fair comparison, but I do say that it is as fair an argument as for the hon. gentleman to deal with purchases.

Mr. BLAIN. For the information of my hon. friend, let me point out that last year, 1903, we imported from the United States butter to the value of $137,654 ; cheese to the value of $30,401 ; eggs to the value of $121,262, or $289,317 worth of these three farm products. Now, we exported to the United States last year, butter to the value of $10,225 ; cheese to the value of $7,779 ; eggs to the value of $6,436, or a total of $24,440 that we export to the United States ; as against $289,317 that we imported from the United States, or a balance of $264,877 against us. Does the member for Essex think that is fair to our farmers.

Mr. COWAN. Multiply that by fifteen and see where you land.

Mr. BLAIN. That is simply drawing a red herring across the track. Is it fair that the American farmer can send his pork to Canada paying a duty of two cents per pound, while the Canadian farmer will have to pay a duty of five cents per pound to send his pork to the United States ?

Mr. FISHER. I do not think it is fair to discuss the tariff in this committee. Perhaps it would be better for us to get back to the item.

Mr. BLAIN. I did not introduce the discussion. I agree with the suggestion of the Minister of Agriculture.

Mr. INGRAM. I do not wish to prolong this discussion further, but I have to point out——

The DEPUTY SPEAKER (Mr. Holmes). I had intended to call the attention of the House to the fact that we have travelled a long way from the original question, and we had better perhaps get back to it.

Mr. GILMOUR. If you had done that a little sooner it would have been better. The first to raise the question was the minister himself, and if you stopped it then you would not have had the scene you had to-night.

Mr. INGRAM. I know that my hon. friend (Mr. Cowan) does not want to misrepresent what I have said. He stated that I was in favour of free corn for the distillers——

Mr. COWAN. I made no such statement.

The DEPUTY SPEAKER (Mr. Holmes). I trust the hon. member. (Mr. Cowan) will not press the discussion on this point.

Mr. COWAN. I ask the permission of the hon. member for East Elgin to explain, and if the chair says we are both out of order, I have nothing to say.

The DEPUTY SPEAKER (Mr. Holmes). This question can come up for discussion with greater appropriateness on another occasion. I thought it only fair to allow the member for Peel to answer the statement of the hon. member for Essex. The discussion should end there.

Mr. INGRAM. The member for Essex accused me of supporting a government that was in favour of free corn for the distillers of this country.

Mr. COWAN. I did not.

Mr. INGRAM. Then I am glad you didn't.

Mr. COWAN. I said that the hon. gentleman supported a government which gave the distillers 99 per cent of a rebate on corn that they imported from the United States to make whisky of to export back to the United States, while they did not give that rebate to the farmer who imported American corn to feed his cattle and wanted to export the beef back to the United States.

Mr. INGRAM. The truth half told is worse than a lie.

The DEPUTY SPEAKER (Mr. Holmes). I will have to rule that the discussion must cease at this point.

Mr. INGRAM. I rise to a personal explanation. It was not the policy of the Conservative government——

The DEPUTY SPEAKER (Mr. Holmes). The hon. gentleman can make a personal explanation so far as the direct charge against him is concerned, but in doing so he cannot enter into a general statement as to policy.

Mr. INGRAM. I am within my rights and I will stand by my rights. I do not nor did I support such a policy as that described by the hon. member (Mr. Cowan) because there was no such policy in existence. The duty on corn was seven and a half cents against the distiller for all whisky sold in Canada. That is the policy I supported and that is the policy to-day. The starch manufacturer had to pay seven and a half cents on American corn, and if he exported the manufactured article he received a rebate of two and a half cents. I supported a duty upon corn, and why did I do so? Look at the figures and you will see the reason. In 1903 there was imported free of duty 6,033,898 bushels of corn, to compete with the farmers in the corn-growing counties of Kent, Essex and Elgin, and I represent the county of Elgin and the farmers of that county. Does the member for Essex favour the removal of duty on corn, when in his own county they produced 3,603,765 bushels of corn, according to the statistics of the Bureau of Industries, for Ontario, for the year 1902, and that amount of corn is valued at $1,463,129.

Mr. COWAN. Corn was 20 cents per bushel higher after the duty was taken off than it was before.

Mr. POPE. I think we were discussing something with reference to exhibitions and have rather wandered from the subject. I have had a great afternoon and this evening is a fitting complement to it. I went to the circus before six o'clock and have been at another circus ever since. I looked over the animals down there this afternoon, and while I found some larger animals there which we have not here, I do not think that the monkeys began to compare with the specimens we have in this House ; but coming back to the item under discussion, I understood from the Minister of Agriculture that one of the results which followed the Japan exhibition was a great increase in the export of butter and flour. I would like to ask him if it is really the case that we have increased our exports of butter to Japan as the result of that exhibition ?

Mr. FISHER. I said that we had been exporting butter from the government creamery in Alberta steadily some years back to a small extent, and that since the exhibition that export had increased very materially. I think that we are now exporting about four times as much per month as we did before the exhibition.

Mr. POPE. Then general exports from Canada ?

Mr. FISHER. I have not examined the trade and navigation returns and cannot tell.

Mr. POPE. I cannot believe that the hon. minister would intend to deceive this House by claiming results from exhibitions which have not followed them. The expenditure on these exhibitions has been questioned on the ground that it is very doubtful whether we get a good return for our money. In reply to that criticism, the minister told us that since the exhibition we had introduced Canadian flour into Japan and that Canadian flour was unknown there previously. Well, Sir, what do we find ? I find by the official returns that in the year 1900 we sent to that country 2,379 barrels of flour and that we have sent there as high as 3,035 barrels. But last year, 1903, we only sent 611 barrels. Evidently therefore the minister's statement that the exhibition was the cause of the introduction of Canadian flour into Japan was absolutely wrong. Not only was that statement wrong, but the trade, instead of increasing as a consequence of that exhibition, has decreased. Last year, after the exhibition, we only sent one-fifth the quantity of flour which we had sent three years previous. I do not like to say that the hon. gentleman intended wilfully to deceive this House, but the statistics are there, and he has just as free access to them as anybody else ; and when he stands up here and asks us to vote an increase of $50,000 for exhibition purposes, he owes it to his position as a minister, when he attemps to justify that increase, to justify it on statements which are absolutely correct and not on imaginary facts.

With regard to butter, we have the same condition of things. Five or six years ago, we were shipping more butter to Japan than we did last year. Last year we shipped 8,000 pounds, but we shipped as high as 12,000 pounds three years ago. I am not going to say that these exhibitions do not do good. I hope they do. I think it is well that these exhibitions should be held in countries with which we can encourage trade, but I do not think they are of much use in countries with which we are doing less and less trade every year. It may be good policy to have an exhibit in St. Louis, which will show to intending settlers the resources of this country in the shape of minerals, products of the soil and so forth, but I warn the hon. minister, that if he wishes to have the respect of this House, he will see that what information he gives is based on fact and is not misleading.

Mr. FISHER. The hon. gentleman is slightly wrong in his dates, and what he

has said justifies the claim I made. Our exports to Japan of flour a few years ago were rather large, because certain millers sent a large consignment to that country. They sent that shipment as a result of the visit of an agent sent there by my hon. colleague the Minister of Trade and Commerce some four or five years ago. Following his visit, there was a considerable shipment of flour to Japan, but it was not advertised, the markets were not prepared for it, it was not a success, and the result was that in the few years following there was hardly any shipment of flour to that country at all.

Mr. POPE. What few years ?

Mr. FISHER. Ending the 30th of June last. We sent some 3,000 barrels in 1900-1901. In 1902 and 1903 the shipments decreased. The exhibition in Japan opened in March of 1903 and did not close until August, 1903, after the end of the fiscal year 1903, which the hon. gentleman has quoted, and the results of the exhibition in Japan had no effect whatever on the trade of a year which closed before the close of the exhibition. The result of the exhibition on our trade have been in the fiscal year commencing July 1st, 1903. The figures which I quoted and the statement I made, have been absolutely correct within my own knowledge.

Mr. SAM. HUGHES. What are the figures?

Mr. FISHER. I gave the figures with regard to the shipments of flour.

Mr. SAM. HUGHES. Can the minister give any figures in relation to the steady increase in the shipments of flour and similar products from the United States to Japan?

Mr. FISHER. No. I have stated what I know to be the absolute result of our flour and bread making exhibit in Japan. I know of orders placed in Canada to the extent of a considerable number of carloads as a direct result of our exhibit. I stated also that as a result of our exhibit the butter export has increased to something like four times as much per month as formerly. I also stated that other people had received special orders. I recall a request which came from the Consul General of Japan to put a certain person in Yokohoma into communication with butter makers and producers in Canada as they wish to open a direct trade and to place orders for such butter.

Mr. BENNETT. Were any of these purchases made by the Japanese government in consequence of the war ?

Mr. FISHER. Not that I am aware of.

Mr. ARMSTRONG. Is the butter produced in Alberta of the best quality we can produce in Canada ? If it is not, should we not send other shipments of the best that we have?

Mr. FISHER. The butter made at the government creameries at Alberta is of very high quality. I shall not say it is of the very best quality in Canada. The butter in Japan was not all from the government creameries. That from the government creameries compared favourably with any other butter on the Japanese market, but there was an exhibition of butter from Ontario which was superior to the butter of the Northwest creameries. There were a number of different exhibits there ; and I may say, generally speaking, that our butter compared favourably with any butter that was sent to the Japanese market from other countries.

Mr. POPE. The hon. minister is changing his position. He told this House that Canadian flour was an unknown quantity.

Mr. FISHER. I said that Canadian flour was unknown on the Japanese market as Canadian flour.

Mr. POPE. But we had previously shipped Canadian flour as Canadian flour. The minister told us just now that the representative of this government went there five years ago and introduced this trial shipment 5 or 6 years ago. Yet the minister stands up and says that this exhibition was the means of the introduction of Canadian flour into this market when he knew it had been introduced 4 or 5 years ago.

Mr. FISHER. The introduction of 4 or 5 years ago was a failure, and as a result of that failure the shipments were not followed up. When the exhibition took place Canadian flour was unknown as Canadian flour in the Japanese market.

Mr. BLAIN. Would the hon. minister explain what kinds of goods were purchased by his government and exhibited at the Japan exhibition ?

Mr. FISHER. The articles sold were, rubber goods, paper and pulp, pulp wood, some products of pulp in the shape of pails and vessels of one kind and another, butter, canned goods, lumber in the shape of shingles, finished lumber and sashes, doors, &c., some glass goods, furniture, a small exhibit of bicycles and bicycle parts, flour for the making of bread, a small exhibit or ropes and cordage, a few hams and bacon, cooking stoves, oil stoves, tinware, a baking machine and oven. There was some honey and a piano. Those were the sales. A large number of goods were of a perishable character, apples and fuits for instance, which we could not sell. By the time they had been exhibited they were no use. We were asked by the different agricultural colleges of the government in Japan for our exhibits of grain, &c. We

presented them to these institutions as specimens of Canadian products and charged nothing for them.

Mr. BLAIN. At D—24 of the Auditor General's Report, I see an item—

The Canada Furniture Manufacturers, Toronto, oak bureaus, 5 at $18; maple bureau, $23.

Would the hon. minister say whether these articles were selected as first class products of Canadian makers of furniture, and would he regard this as a proper exhibit of what the Canadian people can do in the way of manufacturing furniture?

Mr. FISHER. No, they were selected as furniture likely to be suitable to the demands of the Japanese market. We could not sell the highest class there at all. We bought such furniture as would be suitable to that purpose. The items my hon. friend mentions came to $103 and as a matter of fact we sold there furniture to the extent of $568.

Mr. BLAIN. Just those items?

Mr. FISHER. I cannot say there was nothing else but that was the chief item. It may possibly have included the school desks which were sent over. I do not see any sale of school desks here.

Mr. BLAIN. Would it not be possible when the hon. minister makes an exhibit at a place such as the Japan exhibition to get the Canadian manufacturers themselves to supply these goods, if the government pay the cost of freight, care of the exhibit, &c.

Mr. FISHER. We tried to get the Canadian furniture manufacturers to do that, but failed. At Buffalo, the year before, this very association supplied us with furniture for our Canadian building and took it back after the exhibition, we paying some slight wear and tear. We tried to get them to do the same in the Osaka exhibition, but they said that Japan was so far away and the market so uncertain that they did not care to do it. Except flour, there was no part of our exhibit in Japan in which there was a better opening than in furniture. We had demands for it the moment it was shown, and could have sold it all within a week after the opening of the exhibition. But we kept it there and sold it at the end. The articles were sold to high officials such as the minister of agriculture, the prime minister, one of the prince's and so on. They thought so much of the furniture that they were eager purchasers. They had not seen anything to equal it. I have urged upon the Manufacturers' Association to send an agent to Japan to take advantage of the opportunities opened up by the exhibition, for I felt sure that they could immediately work up a very large trade. But they have not done so simply on the plea that their orders are so great that they cannot fill them and they have no time to attend to this foreign market.

Mr. BENNETT. The minister has been badly informed as to the state of the furniture trade in Canada.

Mr. T. I. THOMSON. I am glad that Canadian furniture is so favourably regarded in the Japanese market. Judging from the sale of rubber goods from that exhibition there should be a good market for these. I understood him to say that the rubber goods were sold for $400, and according to the Blue-book I find that they only cost the country $220.

Mr. FISHER. Of course, we added the freight charges which would be heavy on such goods.

Mr. SAM. HUGHES. But they would not be $200.

Mr. T. I. THOMSON. What is the hon. minister's explanation of this sale of rubber goods that cost the country $200 for $400.

Mr. FISHER. That is the figure in the statement furnished me by the officers in the department.

Mr. T. I. THOMPSON. And does the hon. minister credit it?

Mr. FISHER. Yes.

Mr. T. I. THOMSON. The hon. minister does not believe it is the same as the statement about the flour?

Mr. FISHER. Yes. The statement about the flour was correct.

Mr. WILSON. I am sure the minister is wrong when he says the freight on rubber goods would be high. You could hardly find goods that would pack closer and be less expensive.

Mr. FISHER. The figures I have given from this list should be divided by two. These statements are in yen, the Japanese dollar, and not in the Canadian dollar. I did not notice the mark when I read the figures. The price at which the rubber goods sold would be $200, not $400.

Mr. SAM. HUGHES. When the hon. gentleman speaks of Japan being a splendid field for our furniture, I suppose he includes chairs. Did he educate the people there to sit on chairs?

Mr. FISHER. I did not need to do so. There are in Japan a large number of people, especially in government and other offices, who use chairs. Desks are also in demand. One of the things that they most required was the roll-top desk. My hon. friend (Mr. Sam. Hughes) knows a great deal about Japan, but he may not

be aware that in the houses of well-to-do Japanese there are quite commonly one or two rooms furnished in European style, partly for convenience of strangers and partly because there are many Japanese who have lived in Europe or America and who, when they return home prefer to live, to a certain extent at any rate, in European style.

Mr. BLAIN. The explanation the minister gave as to the money would apply in the case of furniture. What, then, was the furniture sold for ?

Mr. FISHER. Half of what I said. Instead of $658, it was 658 yen, or $329.

Mr. BLAIN. So this furniture cost $403.67, and was sold at a loss even without allowing anything for freight rates ? Does he then, regard the market for furniture as so very hopeful ?

Mr. INGRAM. Do I understand that this item covers the exhibition at Winnipeg ?

Mr. FISHER. No, that is covered by a special item which we passed some weeks ago.

Mr. POPE. I understood the minister to say that we were not sending any live stock down to St. Louis. I wonder if that accounts for the items I see in connection with the St. Louis exhibition. Here is an item for Shorthorn bull head, $25, and one for a Hereford bull head, $41.88. Are we sending these bulls' heads in order that the visitors to the St. Louis exhibition may know that we do breed cattle in this country ? And, if that is the object why should we have selected the bull's head. Why not take down the whole bull, or the more essential parts of the bull. I think it would have been better to send down the whole bull than the bull's head. This bull, I think, would be pretty dear. I do not know what the price of a bull would be on the basis of $41.88 for the head, and why should we pay more for a Hereford bull's head than for a Shorthorn bull's head ? And what is the prejudice against other breeds ? If we are to have an exhibit of bulls' heads, why not include the Jersey, the Guernsey, the Holstein and other breeds so that there may be no favouritism ? The breeder of Shorthorns in this country may feel pleased to know that the bull's head has gone down. But he would be better satisfied if the whole bull had gone.

I am not up in scientific agriculture as the hon. gentleman is, but there may be some reason why he bought this head and sent it down there. Now, so far as the other breeds are concerned, I think the discrepancy in the price of this Hereford head will cause trouble, because it is not going to be pleasant to the Durham men or the Shorthorn breeders to know that a greater value is placed upon the Hereford than upon other breeds. Then there is the Jersey man with no bull there at all, what is he going to do ? And the Guernsey man, the Galloway man, the Polled-Angus man, the Holstein man—none of these men, with whom these breeds are favourites, will have any bulls representing them, or any bulls' heads representing them at this exhibition. I would call the attention of the Minister of Agriculture to the fact that his department is liable to become unpopular if he selects out a head here and a head there, and leaves all these other important breeds unrepresented—and deadheads, as an hon. friend near me suggests. I would suggest that the minister take into consideration whether it would not be better to send the whole bull properly equipped down to St. Louis, one that would do full credit to the breed he is supposed to represent. The hon. gentleman might make some arrangement with the government at Washington. If there is any difficulty about getting them into that country, he ought to be able to make some special arrangement—perhaps not for the cows or the heifers, but for bulls, a real genuine, complete bull of each of the several breeds. I would suggest that the minister take this into his careful consideration, because I think it is unfair that he should only send the heads of two bulls down there and leave the other breeds unrepresented.

Mr. FISHER. I would just say to the hon. gentleman that these heads he speaks of were bought for decorative purposes in the agricultural exhibit there.

Mr. POPE. That may be ; but I do not think it would look proper to practical farmers—we should all try to be practical farmers—that the head of the bull is the essential decoration of the bull. I do not think we should look upon it in that light. I think we should send the animal complete in every respect.

Mr. ROBERT JOHNSTON. I understood the minister to say that he had received communications from the Breeders' Association of Canada with regard to sending live stock to the St. Louis exhibition, and that he now has the subject under consideration.

Mr. FISHER. I explained that a few minutes ago.

Mr. ROBERT JOHNSTON. The Breeders' Association hold the best stock in the Dominion, and unless the United States government will allow them to go in there and make a good show, I am afraid that the reputation of Canadian stock will suffer. I do not think it would be wise for a few individual farmers to send in stock that is not of the highest character, as Canadian stock would be belittled in the eyes of foreigners who go there.

Mr. FISHER. Under the arrangement we propose only first-class animals will be likely to go, as it will be only in case they

get good prizes that they will receive assistance.

Mr. ROBERT JOHNSTON. I do not think that we can get a good exhibition of our stock there if individuals have to take cattle at their own expense and run all risk. I fear the best cattle of Canada will not be there.

Mr. J. D. REID. Could the minister give the total amount that was paid for goods for the Japan exhibition, and the amount received for the sale of those goods at that exhibition ?

Mr. FISHER. I could not give the total amount paid, because it is involved in a lot of small items which I have not added up yet. The total amount received was in the neighbourhood of $10,000, but the total amount paid was a good deal more than that.

Mr. ARMSTRONG. I understood the minister to say that the total amount paid on account of that exhibition was over $60,000, but he has only received $10,000 back. Does the former amount include salaries ?

Mr. FISHER. Yes ; salaries, cost of installation, freight on goods and all preparations for the exhibition. I would point out also that many of these goods were perishable. We had to buy a large amount of fruit, for instance.

Mr. J. D. REID. I would ask the minister again about the question of furniture. No doubt his remarks will be carefully read by the manufacturers of furniture in this country. Now, the minister said that there was a good market in Japan for furniture. I would like to know how he thinks he would be encouraging furniture manufacturers to ship goods to Japan in face of the fact stated by him that he paid $400 for furniture and paid freight on it, and only received about $300 for it after he was through with it. In other words, are we to understand that the commissioners were not able to dispose of these goods at their actual cost ? No doubt he got them at a very low price.

Mr. FISHER. The regular market price.

Mr. J. D. REID. Together with freight added. The commissioner was not able to get more than about 50 per cent on the dollar, because $400 worth of goods, together with the freight, would probably be $600, and the minister says he only got something like about $300. The hon. minister stated that they got a sum of about $300. I suppose the hon. minister feels that the commissioner did his duty while there, and got the actual market value for these goods. If so, he must admit that the amount received was only about 50 cents on the dollar, so that the manufacturers of furniture would not receive more than 50 cents on the dollar upon the amount they charged the government. How does the hon minster make out that that was encouraging the manufacturers to ship goods to that country ?

Mr. FISHER. I may say that I based my statements in regard to the market that we have there for furniture on the actual prices that are charged there for European and American furniture. Individuals in Japan came and asked what this furniture could be laid down there for and they said that they had paid larger prices for inferior goods. We had to sell the goods that had been there on exhibition during the whole summer and I daresay that my commissioners were not able to get the first hand price for any of them. I know as a matter of fact that some of these goods were sold very low to people of importance in whose hands we wanted to place them for advertising purposes, and I am not quite certain but that some of it was even given away for that purpose. The total of this amount was the actual cash received but I would not for a moment allow it to be held that these prices were the total value of these goods had they been placed first hand on the market or had they been offered in the ordinary market.

Mr. J. D. REID. I have had a little experience myself in regard to goods at exhibitions and I have always found that goods that have been made specially for an exhibition are a little better that the ordinary goods.

Mr. FISHER. These goods were not; they were just ordinary trade goods.

Mr. J. D. REID. We generally get a little higher price. The government had that exhibition in Japan for the purpose of encouraging trade and the hon. minister says now that he has found out from the manufacturers of furniture that there is a good market in Japan. He has worked it up for them, and he has said to them : If you will send your goods there you will get a good market at paying prices. Will the hon. minister assume the responsibility of allowing any manufacturing industry to send a consignment of goods to Japan and guarantee that they will bring the actual cost of production in this country ?

Mr. FISHER. No, that would not be the government's work. The government would not undertake to do that. The country would not ask the government to do that and the House would not support the government in doing that. The point is that by the exhibition of Canadian goods we showed to the people of Japan the character and quality of the goods that can be produced in this country. We must then trust to the ordinary channels of trade to follow that up, and it is only if the ordinary channels of trade will follow it up that the trade can be established.

Mr. J. D. REID. Have there been any shipments made since that exhibition ?

Mr. FISHER. The furniture association have not taken the steps we asked them to take: When Mr. Hutchison, the commissioner, and Mr. Burns, the secretary of our exhibition there talked matters over with them they said that they were so busy with their work here that they did not care to undertake shipments to Japan at the present time.

Mr. BLAIN. If I understood the hon. minister correctly at the outset he made a statement to the committee in regard to four or five exhibitions. Would the hon. gentleman say how much he expects the total cost of the St. Louis exhibition to be and how much the probable cost of the other exhibitions that he mentioned will be ?

Mr. FISHER. This is an item of $200,000 which I am asking now for next year. I am expecting to apply about $125,000 of this to closing up the accounts in connection with the St. Louis exhibition. That will leave about $75,000. When I asked for that item I was discussing the question of an exhibition in South Africa. Since then I have received information of the organization which has led me to believe that it is not of a character that we ought officially to take part in. But, I have also officially on behalf of the government, accepted an invitation to take part in the universal exhibition at Liège which is to open on the 1st of May next year.

Mr. BLAIN. About how much do you expect to expend there ?

Mr. FISHER. About $50,000, somewhere in the neighbourhood of the amount we expended at Osaka,—possibly not so much as Liège is a little more accessible than Osaka.

Mr. BLAIN. What will be the total cost of the St. Louis exhibition ?

Mr. FISHER. About $325,000.

Mr. BLAIN. And those others ?

Mr. FISHER. I want to have about $25,000 available so as to be in a position to take part in these other exhibitions which I have mentioned.

Mr. SAM. HUGHES. Has the hon. Minister of Agriculture ever looked at the question in this way ? There is an expenditure of $325,000 on the St. Louis exhibition. I had the honour of being the only member of the House of Commons who voted against the payment of a large sum towards the expense of making an exhibition at the World's Fair. Would it not be better to take that sum of money and spend it on immigration ? If the hon. minister would take that $325,000 and apply it to immigration it would bring out to Canada several thousand immigrants. I should imagine that it would bring out about 10,000 people. Does not the hon. minister think that that sum of money expended in bringing 10,000 selected immigrants to the shores of Canada would be infinitely better employed than if it were spent in this flimflamming around St. Louis and other places ? I think the money should be voted to the Department of the Interior. My own personal opinion is that these exhibitions do not do the country one particle of good.

Mr. FISHER. I do not agree with the hon. gentleman.

Mr. SAM. HUGHES. And I am of opinion that if the money were expended in the other way which I have suggested, better results would be achieved.

Mr. FISHER. I am very glad that my hon. friend from Victoria (Mr. Hughes) has brought that question up because it is one which has influenced my colleagues and myself in regard to these exhibtions at St. Louis and Liège. We are getting a very considerable number of Americans from the western part of the Union.

Mr. SAM. HUGHES. Through the energy of the Interior Department ?

Mr. FISHER. Through the energy of the Interior Department. My hon. friend the Minister of the Interior (Mr. Sifton) quite coincided with me as to the advisability for immigration purposes of having a representative exhibit in agriculture, forestry and mineral resources at St. Louis. Mr. Hutcheson was at St. Louis three or four weeks before the exhibition opened and during that time he was besieged with inquiries as to the opportunities of the Northwest for immigration purposes. In our building at St. Louis my hon. friend the Minister of the Interior has a staff of immigration agents who are distributing literature and imparting information in regard to the Northwest. I had quoted to me tonight by a gentleman who was at St. Louis a little while ago with the press party there an incident which illustrates the effect that our exhibit at St. Louis is having. He said : I was talking with a gentleman, an editor, from Kansas and he said to me that he had never been able to understand how it was that their best citizens were leaving the United States and going to Canada but since he had seen the Canadian exhibit at St. Louis he did not wonder at it because we showed up there magnificently in comparison with their own western states. I have seen already, and I dare say hon. gentlemen opposite have seen, references made to the Canadian exhibition at St. Louis, and it is declared that the exhibition is not only creditable to Canada but that it is an eye-opener and surprise to the people of the western states and I venture to think it will be one of the strongest inducements for immigra-

tion into the Northwest and I am glad to get this endorsement from my hon. friend of this expenditure.

Tracadie lazaretto, $5,500.

Mr. SAM. HUGHES. Are the lepers increasing or decreasing ?

Mr. FISHER. There are always in the neighbourhood of twenty or twenty-five.

Public Works Health Act, $3,000.

Mr. INGRAM. What is the cause of the decrease ?

Mr. FISHER. Last year I asked for $4,000, and we did not spend $3,000 ; but I warn my hon. friends that when I made the decrease I had not realized the necessity of the construction of the new transcontinental railway, and in my suppplementary estimates, I am afraid I will not only have to restore the decrease, but to ask for a couple of thousand more. I think it very necessary that on the construction of the new transcontinental railway, we should take special precautions to avoid such difficulties as arose on the Crows' Nest Pass.

Mr. BLAIN. Did the minister expect that the Transcontinental Railway Bill would be defeated in the House ?

Mr. FISHER. No. But to tell the truth I didn't think of it when I made up this item. Notwithstanding that we have not passed a great many items, I feel that consideration is due to hon. gentlemen opposite, and I shall move that the committee rise, report progress, and ask leave to sit again

Some resolutions reported.

Mr. CASGRAIN. What business to-morrow ?

Mr. FISHER. I think we will proceed with the quarantine estimates and perhaps the estimates of the Minister of Marine. We will proceed with some Bills first.

Mr. CASGRAIN. Will you go on with the Militia Bill ?

Mr. FISHER. No, and as the Minister of Justice is not here we will not proceed with his Bills.

On motion of Mr. Fisher, House adjourned at 11.30 p.m.

HOUSE OF COMMONS.

FRIDAY, June 3, 1904.

The SPEAKER took the Chair at Three o'clock.

FIRST READINGS.

Bill (No. 129) respecting certain patents of Edwin R. Cahoone.—Mr. German.

Bill (No. 130) respecting the Huron and Ontario Railway Company.—Mr. Wm. Ross (Ontario).

Bill (No. 131) to incorporate the Farmers' Bank of Canada.—Mr. Guthrie.

PRINTING OF VOTERS' LISTS.

Mr. URIAH WILSON. Before the Orders of the Day are proceeded with, I wish to call the attention of the Prime Minister to a statement which he made in the House that he would bring down a statement as to why certain voters' lists had not been printed. I have before me the voters' list for Sunbury and Queen's for 1904, and I have not yet had any voters' list for my constituency for 1903. I think this is unfair treatment. I understand that this means that two voters' lists have been got out for New Brunswick since I have had any.

Sir WILFRID LAURIER. I would ask my hon. friend to renew his question on Monday, as I have a letter on the subject which I cannot lay my hands on.

Mr. WILSON. I may not be here in time on Monday, and I would ask the right hon. gentleman to kindly put it on 'Hansard.'

Sir WILFRID LAURIER. The next time my hon. friend is here.

PERSONAL EXPLANATION.

Mr. WM. ROCHE. Mr. Speaker, before the Orders of the Day are called, I wish to refer to an apparent discourtesy on my part to the hon. member for East Elgin (Mr. Ingram). Yesterday afternoon by a previous arrangement, I paid a visit to a very interesting object lesson in connection with the agricultural estimates in the shape of live stock and other attractions. While there I witnessed exhibitions of high tumbling, but had no idea that we were going to have any exhibition of low tumbling in this House. In the evening at seven fifty, I came into the House to get my letters. I did not open them all at the moment, but went to an interesting social function and it was only after eleven o'clock that I found among them a courteous invitation from my hon. friend from East Elgin (Mr. Ingram), inviting me to be present in the afternoon as he proposed to revive the discussion of the matter in controversy between us. Had I known this earlier, I would have been present yesterday afternoon, and have put aside the arrangement I had made. I am not aware however that he lost much by my absence, because in any event I would not have replied to the observations which the hon. gentleman made. I wish to avoid as far as

possible any personal controversy with anybody. I do not challenge or attack anybody, and on several occasions have avoided encounters, though perhaps it was my duty to have met them. The reason why I did not wish to have any controversy with my hon. friend from Lennox (Mr. Wilson), is because I am afraid of him, for I think that to some slight extent he was in the right. But I had other reasons for not wishing to meet my hon. friend from East Elgin. I am afraid of my hon. friend physically, intellectually and morally. And further, I am afraid of myself; and do not wish to make in this House any exhibiton of temper whatever. When I do, I am sorry afterwards, because I prefer not to say or do anything which will leave an unpleasant feeling. So far as the observations of my hon. friend from Lennox are concerned, I merely spoke from memory, and I am quite willing to offer any reparation, if unintentionally I have done him any injury. I hope to continue to enjoy the friendship of my hon. friend. We occasionally exchange some words of banter, but are usually on the best of relations, which I trust will continue. But with regard to the observations of my hon. friend from East Elgin, I cannot make the same free admission. I did not refer to him either directly or by imputation, yet he volunteered a personal attack upon myself. He attempted to convict me of an untruth and of having had my views coloured by the fact that I am an agent of the Hamburg-American Line. On the latter point, let me say that whenever I have spoken, I have taken pains to openly state that it was in consequence of my connection with that line that I was in a position to obtain information and consequently could speak from personal knowledge. The hon. gentleman, however, was very anxious to accuse me of having stated what was an untruth, and as there were a number of people in the House and the galleries at the time, he made his charge as conspicuously as possible. 'Hansard' in hand he made this statement without any reservation or qualification.

I would remind the junior member for Halifax (Mr. William Roche) that he is mistaken when he thinks that the hon. member for Lennox followed him last year with his speech or even with a speechlet. There is no record of either such speech or speechlet. But I can tell him that the hon. gentleman who did follow him and who criticised his language very severely was the hon. member for Alberta (Mr. Oliver).

Mr. INGRAM. Hear, hear.

Mr. Wm. ROCHE. I shall now quote from page 6610 of last year's 'Hansard' to show what did take place and what is recorded. The Minister of the Interior said:

The only persons we hear that suggestion from is the hon. member for Lennox and his friend the United States inspector, Mr. Watchorn. If my understanding of the hon. gentleman's argument is correct, it is in effect that we should make such an arrangement as would allow the officers of the United States to decide who should come into Canada.

Mr. WILSON. I made no such statement. What I said was that we ought to enter into an arrangement with them, that we ought to have as much to say about it as the Americans, and that there should be a good understanding between the two governments.

That brought up the whole question as to the strictness of the inspection by our Canadian officers. The Minister of the Interior went on to say:

They are all presided over by a general inspector of first-class professional attainments; and we have no reason whatever to believe that it is necessary that their inspection should be revised by officers of the United States.

That was in the same debate and in pursuance of the same controversy. The hon. member for Lennox then said:

Mr. WILSON. When was the medical inspector appointed at Montreal?

The MINISTER OF THE INTERIOR. I cannot give the hon. gentleman the date.

Mr. WILSON. I may say that his deputy minister was before the committee as late as the 11th of June, and, according to his evidence, no one had been appointed there then.

There are three instances of the hon. gentleman from Lennox making short speeches and yet the hon. member for East Elgin says there is no record of his having made any speeches or speechlets after mine.

Mr. INGRAM. They had no reference to you at all.

Mr. WILLIAM ROCHE. Without any reservation, equivocation or limitation he wanted to make a direct attack, and he made a positive statement there were none and he shall not wriggle out of it. Now, on the same evening there was another debate on the question of salaries and appropriations on the same subject, and during the course of that my hon. friend from Lennox (Mr. Wilson) made five short speeches. That is sufficient. I was only speaking from memory and only reciting what was my impression at the time, for I had no opportunity of consulting the record or refreshing my memory. Now I want to say that I do not appear in this House as a gladiator by any means; I do not want to enter the lists in competition with my hon. friend. Now and hereafter he may say what he likes and do what he likes with reference to myself; I shall not reply to any personal observations. But if at any time anything is said affecting the interests of my constituents that seems to me to call for a word from me, I shall take the opportunity of replying.

On this question that what really troubles my hon. friend is the truth; and on this subject his conscience smites him, for once at any rate. In this case he was clearly in the wrong. He spoke without full investigation of the subject and made a flamboyant speech hoping that I would not take notice

of it and that it would pass as a refutation of what I had said. If he thinks he is equipped and qualified to enter into competition with those who engage in personalities, who are apt to fling back recrimination for recrimination, and to bandy comparisons perhaps as expressive as his own or indulge in any scurrility, he may find that there are people of that kind who will meet him and transfix him, when he will be dead as a smelt.

Mr. A. B. INGRAM (East Elgin). I have only a word or two to say in reply to the hon. gentleman (Mr. Roche). If a man is to be attacked, at least he can prepare for the attack if he has reasonable notice. But the hon. gentleman (Mr. Roche) in this matter, has not done me the courtesy of giving me fair warning. When I intended to speak of him yesterday I gave him due notice. He read my letter and though he replied also by letter which was sent to me last night at eleven o'clock, he did not have the courtesy to say in that letter that he was going to make another attack on me to-day. This is the hon. gentleman's letter to me :

Ottawa, 2nd June, 1904.
11 p.m.

Andrew B. Ingram, Esq.,
House ofCommons.

Sir,—I have just opened your letter. Had I received it in time, I might have put aside a previous engagement, but, was out of town this afternon.

I am, dear sir,
Your most obedient servant,
WILLIAM ROCHE.

It would not have hurt my hon. friend to add a postscript that he intended to bring up this matter this afternoon. The hon. gentleman must be afaid, however, as he admits, or his conscience must have troubled him—something must have been the matter when he was not willing to give me the British fair play that I offered him yesterday ? I do not think there is anything to reply to in what the hon. gentleman has said. The statement I made is unanswerable. I am willing to let the record stand. If anything can be established which shows that my statement was in any way wrong, I am willing to apologize. But I am quite satisfied that I shall never be called upon to apologize because my statements are absolutely correct. As to entering into personalities, I can tell the hon. gentleman that there is not in my statement a single word of a personal character—not one.

Mr. URIAH WILSON (Lennox). Had the junior member for Halifax (Mr. Roche) dropped this subject the first day, he would never have heard of it from me, because so far as I know, he and I have been upon the best terms in this House.

Mr. CLARKE. But you will never speak as you pass by, after this.

Mr. WILSON. Oh, yes. If the hon. gentleman holds the feeling that he expresses, we shall be good friends yet. I wish to say that there was not a single interruption of any kind when the hon. gentleman was speaking on this subject a year ago, nor did I say anything with reference to what he had stated. My interruptions were entirely in the speech of the Minister of the Interior (Mr. Sifton). Several members had spoken between my speech and that of the junior member for Halifax. When the Minister of the Interior spoke, he seemed to me to put words into my mouth that I had not uttered, and I told him. So far as I am concerned I want no personalities. I have no feeling in the matter, and the only thing that surprised me was that the junior member for Halifax should bring the question up a second time. He has now brought it up a third time. So far as I am concerned, let it drop where it is.

GRAND TRUNK PACIFIC—BRITISH SUBJECTS AS DIRECTORS.

Mr. T. CHASE CASGRAIN. Before the Orders of the Day are called I desire to ask a question. When we were discussing the Transcontinental Bill, I moved an amendment to the effect that a majority of the board should be British subjects. The Minister of Justice (Mr. Fitzpatrick) said that a Bill was to be introduced to amend the General Railway Act in that direction. I would ask the Prime Minister (Sir Wilfrid Laurier) if that Bill is being prepared and when it will be submited to the House. We are getting near to—well, we are getting nearer to prorogation than we were, and if we wish to pass this Bill, it ought to be brought down now.

Sir WILFRID LAURIER. In order to anticipate the nearness of prorogation the Bill has been prepared; it is ready.

GRAND TRUNK PACIFIC—ALIENS EMPLOYED ON SURVEYS.

Mr. R. L. BORDEN. Some answer should be given to-day to the interrogatory which I addressed to the government on Wednesday in regard to the constitution of the committee for inquiry into the question of Alien Labour.

Sir WILFRID LAURIER. I am sorry to say I must again tell my hon. friend (Mr. R. L. Borden) that I cannot answer his question. The Postmaster General (Sir William Mulock) is away. I expected him this morning, but he has not yet returned. When he returns I shall be able to answer.

CANADIAN—MEXICAN STEAMSHIP SERVICE.

Mr. THOMAS EARLE (Victoria, B.C.). Before the Orders of the Day are called I desire to ask the Minister of Trade and

Commerce (Sir Richard Cartwright) for information with regard to tenders for the steamship service between British Columbia and Mexico. 'The Daily Times' of Victoria, an organ of the government, a few days ago, published the following :

In the preliminary agreement made between Canada and Mexico in connection with the steamship service for which tenders are being called, it is provided that Victoria or any other port where business offers will be a port of call for the vessels of the line. This provision of the agreement will also be inserted in the contract with the steamship company.

Now, I understand that in the call for tenders no provision is made for these steamers calling at the city of Victoria, and I would like to ask the minister if it is intended that that shall be inserted ?

Rt. Hon. Sir RICHARD CARTWRIGHT (Minister of Trade and Commerce). Generally speaking, in these contracts we have a clause allowing the minister to direct the calls to be made. In any case it is intended to have a clause inserted by which the steamships shall call at Victoria.

Mr. EARLE. On their inward and outward voyages?

Sir RICHARD CARTWRIGHT. Both.

Mr. JOHN W. DANIEL. I would like to make a brief reference to the same subject, on the Atlantic and not on the Pacific side. I notice that in the tenders which are called for the steamship service between Canada and Mexico on the Atlantic side, the port of St. John in entirely omitted. There is no mention made that St. John shall be a port of call for the service. I would like to ask the Minister of Trade and Commerce whether St. John is to be entirely excluded from this service or not. I have no doubt in the world that, if St. John were made a port of call there would be a very considerable trade between that port and Mexico to which this steamship service will go. I would like to hear from the Minister of Trade and Commerce with regard to that matter.

Sir RICHARD CARTWRIGHT. For these matters the amount of money at our disposal is not very large, and I am not quite in a position to say whether we will be able to deal with both services. But I think I will be able to meet the wishes of the hon. gentleman.

Mr. CLARKE. Are any negotiations going on now respecting the establishment of a fast Atlantic line, and if so, what stage have they reached ?

Sir RICHARD CARTWRIGHT. No negotiations other than the additional contract that was laid on the table with the Allan's, and which the hon. gentleman has seen. It was laid on the table some time ago.

Mr. CLARKE. Then the whole thing is over ?

Sir RICHARD CARTWRIGHT. I do not say that, but no negotiations are going on at the present moment.

Mr. SAM. HUGHES. Has the minister any data as to the business to be carried on by these steamers between Canada and Mexico ? I presume some reports have been made as to the nature of the trade that can be worked up.

Sir RICHARD CARTWRIGHT. The report of the Department of Trade and Commerce for January supplies the information he requires.

Mr. SAM. HUGHES. Are these steamers going to call at any other port ?

Sir RICHARD CARTWRIGHT. We will see what we can do. The money at our disposal is not very large. I do not know yet what arrangements we will be able to make.

THE CANADIAN ARTILLERY ASSOCIATION.

Bill (No. 103) to incorporate the Canadian Artillery Association (Sir Frederick Borden) was read the second time, and House went into committee thereon.

On section 1,

Sir FREDERICK BORDEN (Minister of Militia and Defence). On introducing this Bill on the 10th of May last, I explained to the House that I introduced it at the request of the Canadian Artillery Association, and that it was similar to a Bill introduced by me and carried through this House in the session of 1900, chapter 99, 63 and 64 Victoria, by which the Dominion of Canada Rifle Association was incorporated. The object was to enable the association to hold property and transact other business. I may add to what I said then that this Bill is precisely similar, almost word for word, to the Bill incorporating the Dominion Rifle Association, and I hope this Bill will be passed without alteration.

On section 9,

Mr. SAM. HUGHES. I may say in connection with these clauses that this association has already done a great deal of good, and I am satisfied that the skill which has been displayed by the artillery of Canada and by the gunners whenever they have been called upon to give active service, is largely due to the efficient training and instruction of this association. The objects laid down in this section are very worthy.

Bill reported, read the third time and passed.

SUPPLY.

House in Committee of Supply.

Quarantine—salaries and contingencies of organized districts and public health in other districts, $150,000.

Mr. BLAIN. Explain.

Hon. SYDNEY FISHER (Minister of Agriculture). The committee will notice that there is a very considerable decrease in the amount asked for. I am glad to say that this is due to the fact that the necessary precautions against the introduction of small-pox from the United States seem to be at an end ; in fact, the danger is at an end although there is here and there some expenditure on that account. Last year I was obliged to ask for a considerable sum of money to deal with the frontier, and also to deal with some outbreaks of small-pox in our own Northwest. These outbreaks have practically disappeared and I trust that the cycle of years during which this danger from small-pox has been imminent has passed away and that for several years we will not be obliged to spend as large a sum of money on this account as formerly. The expenditure in connection with quarantine is the same as it has been for several years past.

Mr. BLAIN. How much money was expended last year on some of the different items ?

Mr. FISHER. Last year we spent on public health generally, which covers the head office and some salaries, $9,000 odd. Along the American frontier we spent $28,644. And the Northwest Territorial accounts amounted to $22,000 odd, making a total of $60,000 odd. I am speaking in round numbers. At the Halifax quarantine we spent $9,000, at Sydney nearly $4,000, at Pictou, $300, at Grosse Isle, Quebec, nearly $40,000, at St. John,N.B. $11,500, at Chatham, N.B., $730, at Charlottetown, P.E.I., $1,564, at Vancouver, $800, and at Victoria, N.B., $17,900, making a total of $145,000 odd.

Mr. DANIEL. I notice in the Auditor General's Report, page D—53, in connection with the quarantine service at St. John, an amount of $200 for horse-hire. It is impossible for the quarantine officer at St. John to require a horse for his use unless such horse is like the ancient Pegasus, and is provided with wings because he could only get down to Partridge Island by water. Therefore, it puzzles me very much indeed to know what this amount of $200 for horse-hire means. I also noticed in connection with the public accounts committee that the department had purchased a wagon and harness which were receipted for by the same officer and which are stated to be necessary for the proper carrying out of the service. The quarantine officer there has an allowance, I understand, for boat-hire, so that he may be taken to and fro in the discharge of his duty, but what use he has for a horse I cannot conceive at all unless it is to go fishing or something of that kind. Certainly I think that item should be fully explained. If it is the intention of the department to raise the salary of that officer by that amount of $200 I have nothing to say against it whatever, but I do think that an item of this kind should be fully explained. I cannot conceive what it is for.

Mr. FISHER. The explanation is a very simple one. The wharf is a distance from the hospital and the detention building and sick people who are landed and have to be kept in quarantine have to be taken from the wharf with their luggage and effects to the hospital. There is a horse there for that purpose and a wagon and harness are also provided. There is no possibility of the doctor in charge using his horse for pleasure purposes because the island has only an area of a few acres on which no driving could be done. The horse is never taken away from the island.

Mr. DANIEL. The horse is kept on the island ?

Mr. FISHER. Certainly.

Mr. DANIEL. At what time is the horse taken to the island ?

Mr. FISHER. I think the horse has been there for several years ; or at all events a horse has been there for several years. I do not know whether that particular horse has or not.

Mr. VROOMAN. I notice a large amount of expenditure in the Northwest Territories and I would like an explanation from the hon. minister in reference to some of this expenditure. He will find the accounts at page D—63 of the Auditor General's Report. The first item is that of Dr. James Patterson, of Winnipeg, who has charged for 250 days at $20 a day with travelling and living expenses amounting to $1,196.77. This seems to me a very large amount of money to pay to this gentleman living in Winnipeg for overseeing the quarantine stations in the Northwest Territories. The travelling expenses must have been increased to this amount because of the fact that the gentleman lived in Winnipeg and not up in the Territories themselves. I have looked at the report of this gentleman and of all the items which I see included in the report of the department, his is the most meagre and contains the least information. But the point to which I wish to draw the attention of the minister is the question of the necessity in this part of the service which belongs more especially to the interior of the country of an officer of this kind. I can understand that the service up there needs a head of some kind, but if you look over the report

of the Auditor General for the Northwest Territories you find that at points where small-pox existed, some forty doctors were employed, looking after the patients and all of these were paid out of that $24,028. About $15,000 was paid to the medical staff for these cases. On page D—67 there is an item.

Rush, W. T. M.D., attendance, vaccinating, quarantining, &c., July 31st to October 1, 1902, $301.95.

That applies to all the duties connected with these people, and if you go over the report you will find that the same thing occurred in many places. Go to Whitewood, and you will see that Dr. James Budd is credited with establishing quarantine sixty miles, $65. Then go to Oxbow, and there is an item :

Trip J. H., M.D.: medical services, 37 days' attendance at quarantine station at $10 ; 5 visits to country at $12.50 ; team, 5 days at $5 ; telegrams, $2.35 ; medicine, $5—$464.

Thus I cannot possibly see where the services of Dr. Patterson, of Winnipeg, came in, although he was paid in all about $6,000 for these 250 days' service.

I do not wish to say anything in criticism of the charges, but there seems to be no system at all, because, if we take the case of Dr. Smith, at Medicine Hat, we find that he vaccinated twenty-nine people at $1 for each person, and Dr. Calder, at the same place, vaccinated 230 people at 25 cents each. Of course, Dr. Calder is very moderate ; I am not objecting to the charges at all, but it seems strange that in one case you pay 25 cents and in another you pay $1. At Duck Lake we find Dr. Stewart vaccinating 250 half-breeds at 50 cents each. That is a wholesale contract, I suppose. Dr. Smyth then vaccinated twenty-nine patients at $1 each, and Dr. Calder vaccinated 230 at 25 cents each. Dr. Calder was very moderate in all his charges. He travelled 56 miles at 50 cents a mile. He apparently had not then understood that he was in the employ of the government.

The point to which I want to draw attention is that all this work was done at the expense of this country. When these people were unfortunate enough to contract small-pox a medical man was sent to them at once, and all the expenses were paid by the country. In the report of the Minister of the Interior you will see that if immigrants coming into this country are unfortunate enough to be quarantined for any cause whatever, they have to pay their own expenses or be deported with their families back to the country from which they came. I cannot see the justice of making that distinction between two classes of people. It may be that some agent has persuaded an emigrant to come to this country. He may be a poor man with a family of four or five, who comes here with very little money, and may contract some contagious disease upon the boat, perhaps from some one on board or from rats on the ship. Such a man lands here and has no money to pay expenses and he is sent to his home. But up in the Northwest Territories, men who have lived there for years, and who may be in very easy and comfortable circumstances, are unfortunate enough to contract small-pox, the people of this country have to pay the expenses all the way through. I would like the minister to give an explanation of that.

Mr. FISHER. I am very glad to give my hon. friend the information, and I am sure that he is not making these remarks in any spirit of captious criticism, but is simply seeking for information. I shall take up these questions in reverse order. My hon. friend spoke of the expenditure in this department being different from what it is in the Department of the Interior, and also referred to the fact that we make such expenditures in the Northwest Territories. In the Northwest Territories the Dominion has practically to pay the expenses which, in the organized provinces, are borne by the provincial treasury. It is a question, of course, in some cases whether that expenditure should be by a direct vote of this parliament or whether it should be taken out of the lump sum which this parliament votes to the territorial administration for its general administration. The principle has been that what has been that what is an annual charge there year after year should be provided for in a general way by a lump sum which this parliament would vote to the territorial administration for what I might call their territorial disbursements. In the case, however, of public health, and especially in the case of a small-pox epidemic, we have an unusually heavy expenditure, one which has happened to be large in the last year or two, but which I trust may not be at all large this year and may entirely disappear. In these circumstances, it is felt that the government, through the department of quarantine and public health, must pay charges in the Territories just as a provincial government, through its boards of health and public health department, would pay the charges in a province.

The expenditure which my hon. friend is discussing is just such as a provincial government would make. The people who have been helped in these small-pox outbreaks are not well-to-do people. If expenses have been incurred for them, it is because they have been in indigent circumstances, and this being a contagious disease, it is necessary in the interests of the community that it should be dealt with by proper officials, and not by private practitioners. For this reason we have been doing there just such work as the provincial health authorities would do in a province. In the prov-

ince of Ontario the provincial board of health has done a very large amount of work in connection with outbreaks of smallpox during the last two or three years. My hon. friend has spoken of Dr. Patterson. I may say that Dr. Patterson was chosen as being a most competent man to have general charge of all this work. My hon. friend can easily understand that in such a sparsely settled country as the Northwest Territories, it would not do to trust the work entirely to local men. Very frequently there would be no local man within many miles of the actual case. Then, we might have reports from local men indicating an alarming state of affairs, which on investigation might prove to be not so alarming. All through our quarantine work it has been proven necessary to have some independent oversight over the local men. It is quite impossible for the director general of public health at Ottawa to take this oversight, and for that reason Dr. Patterson was chosen. It might have been possible to get a man at Regina or some other central point in the Territories; but Dr Patterson was considered to possess in an eminent degree the necessary capacity and prestige for the work. The only difference is the slight difference of railway fare when Dr. Patterson is obliged to go to the Territories, though in many instances the journey from Winnipeg would be easier than the journey from Regina or Medicine Hat. The mode of procedure is this. When an outbreak is reported, it is Dr. Patterson's duty either to go himself and investigate it, or to appoint some local man in whom he has confidence and on whose judgment he can rely, to investigate it and report. In many instances Dr. Patterson has had to go and make the investigation. He has found perhaps only one case. He has taken steps to isolate that, and has appointed a physician within convenient reach to look after it and see that the disease does not spread. In other cases, in which a number of people would be affected, a regular quarantine may have to be etablished for the community or for a number of houses. Dr. Patterson's travelling has been for the purpose of holding these investigations. His work has been paid for by the day, because it was work of a temporary character. I did not wish to appoint Dr. Patterson or anybody else as a permanent officer in the Territories at a fixed salary. It happens that the payment last year reached a very considerable sum. I am told that there are very few cases in the Territories at present, that the outbreak is practically over, and therefore I trust that the expenditure this year will be very slight indeed, and next year there may be no expenditure of this character at all. But Dr. Patterson's work has been most efficient and acceptable to the people; he has avoided any friction among the people, and has been able to prevent any serious spread of the disease. My hon. friend has spoken of the different charges for vaccination, in some cases twenty-five cents in others fifty cents and in others a dollar a case. The difference depends entirely upon the nature of the conditions. If a man has a couple of hundred people to vaccinate in a particular locality, he will naturally charge only twenty-five cents. If he has to go fifty miles to vaccinate a few people, he may have to charge more.

Mr. VROOMAN. A larger mileage.

Mr. FISHER. We would have to charge mileage for his travelling expenses, but at the same time he would have to spend considerable time in order to vaccinate a few people. I am informed and have noted in my departmental work that Dr. Patterson's accounts have been very carefully prepared. They have been sent here only after he has carefully examined and initialled them; and I am told by the accountant of the department that these accounts are among the best and most carefully prepared accounts that we have in the department. I understand that Dr. Patterson has a reputation from which we might expect that, and I am glad to know that that is the opinion of the chief accountant and the director general of public health in the department. I think my hon. friend will understand from this explanation that this work is being done in as practical and businesslike a way as possible, under the circumstances, the outbreaks having been very scattered, the distances great and the population sparse.

Mr. DANIEL. I would like to ask the minister where the vaccine which is used in these cases is obtained, whether in Canada or in the United States? I believe there are places in Canada where vaccine is manufactured; and that being so, if it is as good a quality as can be obtained anywhere else, it should certainly have the preference.

Mr. FISHER. I am informed that Dr. Patterson gets his vaccine at Regina from a firm known as the Canada Drug Company. I do not know where they get it.

Mr. VROOMAN. I would like to ask the minister whether his department or the government have considered the propriety of establishing a department of public health for the Dominion? I see by the report of the director general of public health that there is a resolution from the Canada Medical Association recommending that. I would like to know how the government looks upon it.

Mr. FISHER. No decision has been reached. There are certain constitutional difficulties that might arise if the government should take action. Some people consider that it comes within the jurisdiction of the provinces. The matter is one well

worthy of consideration, which I have brought to the attention of my colleagues.

Mr. W. J. ROCHE. There is a question in connection with the quarantine, with regard to Manitoba, which I would like to bring to the attention of the hon. minister. I have had a couple of communications from the secretary of the Provincial Board of Health in that province complaining of the manner in which the quarantine regulations are enforced. Knowing nothing personally about the matter, I shall simply read the correspondence :

Winnipeg, May 11th, 1904.

Dear Sir,—For some time past the Dominion government have made the pretense of appointing quarantine officers at certain points in southern Manitoba for the purpose of preventing small-pox from coming into the province. Two of these officials are Dr. Sharpe, of Morden, and Dr. Riddell, of Crystal City, and, I believe, there are others. These officials have regularly drawn their salaries for the past two or three years from the Dominion government, and there is scant evidence as to any value having been received for the expenditure. You can readily understand how inadequate and unproductive such an expenditure would be, by the medical men referred to being located at points far removed from the boundary line.

Some time ago I was advised, after making due inquiries, by the secretary of the State Board of Health of North Dakota, as to the prevalence to a very large extent of small-pox in the vicinity of St. John and Rolla, N.D.; in fact, the disease has been evident in this locality for the past year or two, and whether it is owing to inadequate quarantine provisions by the state authorities of North Dakota, the fact remains that the disease does not appear to be under control or on the wane.

At the present time there are upwards of 70 cases of small-pox in quarantine at St. Johns. This condition of affairs was brought by me to the attention of Dr. Montizambert, director general of public health, Ottawa, some few weeks ago, with the request that proper steps be taken by the appointment of persons along the boundary line to prevent persons from the infected district coming into Manitoba, to which a reply was received that Dr. Riddell, of Crystal City, had been requested to visit St. Johns and report. This report was received by Dr. Montizambert, who communicated the same to me, and was to the effect that about 68 cases of small-pox were in quarantine at St. Johns, but I have not been informed up to the present time, as to what, if any, action has been taken to prevent infected persons coming into the province, although I have requested Dr. Montizambert to so advise me on two or three occasions.

The most grevious complaint which the board has to make is that during the past month not a few cases have been allowed to come into the province from the infected district. The disease first made its appearance at a place named Lundar, in the municipality of Posen, east of Lake Manitoba, of which you doubtless know the residents are principally composed of half-breeds. When informed as to the outbreak I wrote to one of the prominent men at that point asking the source of infection, who replied as follows :—

'I find that a few weeks back a family from the states (Turtle Mountain district, I believe) moved in there, and that the infection came from them.'

Dr. Cleghorn, one of the health officers of the municipality of Argyle, writes of the existence of four cases in the Rock Lake country, in the municipality of Argyle. He says 'the infection was brought in by one John Bell, who had been visiting at St. Johns, N.D. Bell had been in quarantine in the St. Johns district, which district was then, and is now, I believe, infected with small-pox.'

Dr. Morrison, of Belmont, the other health officer for the municipality of Argyle, states that 'four cases have made their appearance in the district south of Belmont. The first case came from North Dakota. The cases are amongst the half-breeds.'

Dr. Parr, health officer for the village of Morden, reports the existence of a case at Morden, having come from township 1 in range 7, being in the municipality of Pembina, and that the infection came into this section from across the line, and that persons have been, and are being permitted to cross the line with perfect impunity.

Another ground of complaint that the board has reason to make is that about a month ago certain Scotch emigrants were brought into the province by the Dominion government, and small-pox having made its appearance among one of their number, all were quarantined near the Louise bridge in St. Boniface. It appears that at Sudbury a number of Ontario settlers were put into this car along with the Scotch emigrants, and were quarantined along with them at St. Boniface, having been exposed to the infection. These Scotch emigrants were kept in quarantine the proper regulation period, but the Ontario settlers were allowed their liberty, after being detained four or five days, and the result of this stupidity, on the part of the Dominion medical officer and immigration commissioner here, was, that these people were allowed to depart to all portions of the province. The first evidence of this most reprehensible proceeding on the part of the Dominion authorities was that one of the passengers, Emory Valley, by name, went to Lauder and infected a whole family, which is now under quarantine at that point, and which will probably cost that municipality of Cameron several hundreds of dollars. This man Valley, after leaving the small-pox impression at Lauder, went to Brandon and wandered about the streets for several days, and then vanished, notwithstanding that the police and health officials of Brandon made all due endeavours to locate him. You will see therefore that the province has just grounds of complaint as to the action of the Dominion authorities in matters involving the administration of public health and the suppression of disease in this province.

You are aware, I have no doubt, that the province has no control or jurisdiction at the boundary line, and that it is necessary that any action taken at that point must be done by the Dominion authorities. What the province is entitled to expect, and should receive, is adequate protection in the premises, and I bring the foregoing facts to your attention for the purpose of giving publicity to the same

in the House as a representative from this province, with the object, if possible, that some live steps will be taken to protect the people of this province from the infection from outside points.

I regret to have to trouble you at such great length, but my justification is that the subject fully warrants the same. I will be pleased to hear from you at your earliest convenience.

Yours truly,

E. M. WOOD,
Secretary.

Following that I received another letter, in which Mr. Wood complains very much of the scant courtesy paid these communications. He writes on May 13th :

Dear Sir,—Adverting to the quarantine by the Dominion government along the southern boundary, I beg to say that on Saturday I received a telegram from Dr. Montizambert stating that medical frontier officers have been appointed and guards placed at points in the vicinity of Killarney, Deloraine, Morden and Crystal City. I am nevertheless of the opinion that it would do no harm if the matter was brought by you to the attention of the House.

I think you might also inquire as to the duties of the health officials who have been appointed as quarantine officers and guards at the points referred ; what they have been instructed to do, and how often it is intended that reports shall be received. The province is in great danger, if the order of things which has prevailed for some time past continues with having several epidemics of small-pox at points in the province.

Yours truly,

E. M. WOOD,
Secretary.

The complaint made by the secretary of the Provincial Board of Health is that in the first place the officials who were selected live at inland points, far removed from the boundary and consequently are not in a position to guard the boundary against the importation of disease. I understand that they draw $100 a month in addition to their regular practice, and the complaint is that they render no service for the money. He complains of the tardiness of the answer of his communications although admitting that, on the 18th of May, when he writes, he had, at last received word that at several of these points officials had been placed. But he desires to know, and asks me to inquire on behalf of the province, what the duties of these officers are, also as to their reports, whether there is any stipulated time for these to be made, and generally, what duties are expected of these officers. The minister will recognize how important this matter is, especially now that the stream of immigration into that country is so great. It becomes now a most serious problem not only from a provincial standpoint because it will impose financial burdens upon the province, but because of the dangers to the people through the spread of these infectious diseases, and also because municipalities are likely to be put to large expense in taking charge of these patients.

Mr. FISHER. I have no doubt the hon. gentleman (Mr. W. J. Roche) has confused two wholly different questions. One is that of guarding our frontier on the States, and the other is as to danger of importation of disease by immigrants who reach the west by train from eastern sea-board. I will refer to the latter first because it is the most easily disposed of. When immigrants come to the ports on the Atlantic sea-board they must pass through the hands of our quarantine officers at Grosse Isle, St. John or Halifax. If these officials find no disease upon them, they allow them to enter the country. Our quarantine is a quarantine on the boundary or on the sea-board. After the immigrants pass that quarantine, my department has no more control over them and no responsibility for them. They are then in the hands of the Immigration Department and are dealt with by that department. Of course this inspection cannot be absolutely perfect. The hon. member for Marquette (Mr. W. J. Roche) as a medical man, knows that it is impossible to provide a system of inspection which will enable us to detect infallibly the man who will afterwards develop a case of small-pox. As to the cases which are said to have come across the frontier from the United States, it is true that, in St. Johns, North Dakota there was an outbreak of small-pox. We were notified of that and took immediate steps to protect the frontier. Dr. Sharp was appointed at Morden, Dr. Riddell at Crystal City and Dr. Thornton at Deloraine, and Dr. White at Killarney. Dr. Sharp and Dr. Riddell were appointed a considerable time before Mr. Wood wrote to Dr. Montizambert and immediately on our discovery of the outbreak in St. Johns. It is true that Dr. Sharp and Dr. Riddell live at some distance from the boundary but they have a guard under them whose duty it is to watch the trail and every place of passage across the boundary. Of course, these guards are not medical men. It is impossible to get enough medical men to station one at every place where there is a trail across the frontier. You could not find the men, and, if you could find them you could not pay them to stay and carry on this duty of watching, except at salaries which would be quite prohibitive. All we can do is to have the medical officer as near the frontier as possible and where he will be within reach when he is notified of any difficulty or danger. That has been the practice all through the country and it is the only course for us to follow. In a country like Manitoba and the Northwest Territories, where population is sparse and distances are considerable and where the frontier is an imaginary line with trails crossing it at many places, it is physically impossible to station a doctor at every point along the line or to have everybody who seeks to cross medically examined by a doctor. The plan

we follow is to have a doctor as near as possible to the principle points, and, if necessary, allow him to employ guards to watch the trail along the means of communication as closely as possible. Then, where there is a case which arouses suspicion the doctor can be called in and make an examination. As a matter of fact this method has been generally successful. My hon. friend (Mr. W. J. Roche) is aware that, even with every care, contagion may pass the boundary. I think my hon. friend spoke of a case of a man who came from St. Johns, North Dakota, where he had been exposed to small-pox. There was nothing to indicate that the man had small-pox or that he would be affected by the disease, yet it is quite true that he might have carried the contagion in his clothes. But no inspection that can be devised by human ingenuity will enable the officers in every case to detect the person who is carrying the small-pox contagion. The hon. gentleman knows that the period of incubation of the disease is considerable and that even a person who does not develop it may carry the contagion in his clothes and luggage. I appreciate our responsibility as to shutting out disease. We are doing our best in that direction and adopting every means possible. In connection with what the hon. member for Marquette has said I may say that, in no instance where any of the provincial health authorities had given us information that there was danger, have we refused to act on that information. In every case, we have taken steps as promptly as possible to guard against danger. Nor have we always waited for information from the provincial authorities, because my director general of public health is in the closest touch with the health authorities of the different frontier states as well as with the Washington authorities, and we are consequently in receipt of information as to the health and the sanitary work of the frontier states. Thus we are advised, perhaps as soon as the provincial authorities, where danger threatens. Wherever danger threatens we appoint an officer. Those officers are appointed temporarily because their services may be needed one month and not the next. The hon. gentleman will agree with me that, in Manitoba and the Northwest Territories, where professional services are highly paid, $100 a month is not high for a doctor, even when he is allowed to carry on his own practice as well. If we were to debar these officers from practice, we could not engage them at $100 a month, and probably not at $200 a month, to do this work for the government.

Mr. W. J. ROCHE. Are these officers supposed to report regularly, or are their duties confined to the time when some particular case of disease is before them?

Mr. FISHER. They are appointed by the month. When we consider that the danger at the point on the frontier is past, we notify them that their services are no longer required. While they are on the duty they report regularly as to the condition of affairs, what they have done and so on.

Mr. W. J. ROCHE. The minister says they report regularly. Does he mean that they report regularly on cases as they arise, or do they report as a matter of routine at certain intervals ?

Mr. FISHER. They report once a month regularly and of course they report when anything special occurs.

Mr. W. J. ROCHE. Of course, I cannot criticise the hon. minister, for he has shifted the responsibility with regard to the main question to the Immigration Department. As the cases which do not relate to the hon. gentleman's department were the most flagrant I shall take another opportunity of offering criticism. Some of the municipalities in Manitoba have been put to danger, inconvenience and expense by these cases.

Mr. FISHER. I have no doubt that my colleague the Minister of the Interior when his estimates are under discussion will be able to give full information on the point.

Mr. WILSON. Has the minister got a quarantine officer at Victoria ?

Mr. FISHER. Yes.

Mr. WILSON. I would like to know if the minster's attention has been drawn to an article that appeared in the 'Citizen' this morning concerning fifteen first-class passengers being quarantined at North Bay. They were passengers from the east. One died on board on the 5th of May. They came up from Victoria to Vancouver where another one was taken sick just thirteen days after the death of the first one, and was taken to the hospital, where it turned out to be a case of small-pox. The other passengers were allowed to come east and were on the train for five days. It does seem to me there must have been carelessness on the part of some person. These people should not have been allowed to land after it was discovered that one person had died on board the ship and another was so bad that he had to be taken to the hospital, and died shortly after landing at Vancouver.

Mr. FISHER. This matter has been brought to my attention although not in this particular form. The steamship 'Athenian' came from Japan, and was examined at our quarantine station at Victoria. The vessel first touches at Victoria and then goes on to Vancouver. The quarantine station for these incoming Pacific lines is at Victoria. The vessel became a coastwise vessel at Victoria, no disease having been discovered on board.

Mr. WILSON. That is not what the article says.

Mr. FISHER. Our quarantine officer at Victoria sent a report by letter, and we have had telegraphic communication with him, and he states that he examined the vessel at Victoria on her coming into the quarantine station there and found no disease. He therefore gave her what we call a free pratique, and the vessel then going on to Vancouver became what we call a coastwise vessel, and came under the usual responsibilities of a vessel within the jurisdiction of the province of British Columbia, just as any other vessel going from one port to another port within the province would be. It appears that during that time a case of small-pox developed, and when the vessel arrived in Vancouver she had that case on board. That case was landed in Vancouver and dealt with by the provincial authorities. The passengers on this vessel were allowed to take the train and come east, and it appears that when some of them arrived in the province of Ontario another case was discovered. It was simply a precaution on the part of the provincial authority of Ontario to hold these people up, because in his judgment they had been in contact with a case of small-pox a short time before. These are briefly the whole facts of the case. As I said a little while ago answering the hon. member for Marquette (Mr. Roche) the duty of my department is to examine vessels on arrival at our ports. They are examined with the utmost care and precision, and when no disease is found on these vessels the people are left free to enter the country and then come under the laws of the province in which they may happen to be. It is the same on the eastern sea-board. When a vessel arrives from England and touches at Halifax she is examined by the quarantine there, after which she may go on to any other port in Canada. After she has been examined for quarantine she goes forward as a coastwise vessel. When the vessel gets to Quebec she is examined at Grosse Isle at the quarantine station, and goes on to the port of Montreal and is examined again for quarantine purposes. She is then a vessel in the Dominion of Canada, having passed quarantine at the first port touched, after which she is no longer under our quarantine laws, and we have no longer any control over her or over her passengers.

Mr. WILSON. It seems to be another case of divided authority. I presume that after it leaves the first quarantine station it comes under the control of the Interior Department.

Mr. FISHER. Not in the case of the 'Athenian,' because they were not immigrants.

Mr. WILSON. I do not think it makes much difference whether the people are immigrants or not. When they come to this country and have been exposed to contagious disease, they should come under the control of the quarantine officers. It is a very strange thing that the Dominion officers did not pronounce the disease contagious while the local officers said it was. It is another illustration of how carelessly the machinery for the prevention of that kind of thing is managed in this country. We see every day in the newspapers accounts of people that are landing on our shores who are suffering from various diseases, people who are paupers, and who become a burden on the country. It seems to me there ought to be some way of stopping people, even if they are not immigrants, after they have been exposed to contagious diseases.

Mr. FISHER. My hon. friend must understand that when people come to this country with no appearance of disease about them it would be an unwarrantable interference with liberty to stop them and have them disinfected.

Mr. WILSON. When a man who is so sick that he has to be taken to a hospital, after having been exposed to a contagious disease, is that not a sufficient reason for stopping him ?

Mr. FISHER. So far as the quarantine in concerned we can only deal with contagious diseases. This disease had not developed when the man came to Vancouver and landed there. It was only after he was taken to the hospital in Vancouver that the case was found to be one of small-pox. But when he landed in Victoria he was not recognized as affected with small-pox. It was after that that the case developed into what was called malignant small-pox, and that was after the passengers had landed and were just as free as anybody else to do as they liked. My quarantine officers had absolutely no right in law to detain those passengers. When the vessel passes our quarantine, my officers take no further account of the passengers at all, we let them go, we have no further knowledge of them. No officer of mine knew that this man went to the hospital afterwards.

Mr. EARLE. Has the quarantine officer at Vancouver no authority ?

Mr. FISHER. Not when the vessel has passed the quarantine at Victoria. If a vessel comes to Vancouver without having touched at Victoria my officer at Vancouver deals with her, but if the vessel comes to Victoria and is there given pratique, or clearance, she then becomes a coastwise vessel and my officer at Vancouver deals with her just as a vessel coming to Victoria as if she had not come across the Pacific.

Mr. WILSON. Is it not the duty of the captain of the vessel to report when a man

dies of small-pox on board of his ship and when another man is taken ill just thirteen days after with small-pox, so that the patient may be attended to and put in quarantine ? It does seem to me that it was the captain's duty to have reported that case to your officers.

Mr. FISHER. My hon. friend does not seem to quite grasp the situation.

Mr. WILSON. Perhaps not.

Mr. FISHER. The vessel is dealt with for quarantine purposes according to her papers from her last port of call. This vessel had a clean bill of health.

Mr. WILSON. You will not say that without reference to what occurred on the voyage ?

Mr. FISHER. I mean to say that when a vessel from Yokohama comes to Victoria the officers there have no control with anything that may have occurred before she left Yokohama, where the vessel obtained a clean bill of health.

Mr. WILSON. Notwithstanding the fact that a man has died at sea ?

Mr. SPROULE. Suppose the disease develops in the meantime ?

Mr. FISHER. Then he deals with it ; but the hon. gentleman is speaking about a case that occurred before the vessel came to Kobe.

Mr. WILSON. That is not a fact.

Mr. FISHER. The hon. gentleman may not know about it, but it is a fact. This was a case of disease that occurred between Nagasaki and Kobe. The vessel at Kobe was thoroughly disinfected by the Japanese authorities, and I may say here that their quarantine work is very effective and thorough. The vessel went on from Kobe to Yokohama and at Yokohama she was given a clean bill of health. Then she came to my quarantine station at Victoria, and the officer's only duty there was to examine the bill of health of the last port of call, which was the port of Yokohama.

Mr. SPROULE. Is it not his duty to make an examination of her passengers ?

Mr. FISHER. Certainly, and he did examine her passengers ; but he had nothing to do with what occurred before she left Yokohama.

Mr. SPROULE. I understand the minister to say that his only duty was to examine the bill of health given at the last port of call.

Mr. FISHER. What I mean is that his duty, as far as her bill of health was concerned, was only to examine the bill of health given at Yokohama, but he had to examine her passengers. He did examine her passengers, and finding no disease he gave her a clean bill of health. After she was given that clean bill of health she entered the waters of the Dominion, and after the passengers had arrived in the Dominion a case of small-pox developed. That was only after they had landed at Vancouver. It was not on board the vessel at all. The patient was then in the province of British Columbia, on shore and in a local hospital at Vancouver, entirely out of the control or beyond the esponsibility of the quarantine officers. Then the case developed, and the local authorities had to deal with it. Apparently the local authorities did not stop the people who had been in contact with that case before it developed. Some of the passengers who had been on the vessel took the train eastward and came through. The health officer of the province of Ontario thought it advisable to stop them and quarantine them at North Bay, and he did so.

Mr. WILSON. Who will have to pay for that ?

Mr. FISHER. The province of Ontario will have to pay the cost of her own action.

Mr. EARLE. Could the hon. minister state the time that elapsed between the death of the passenger previous to the arrival of the vessel at Yokohama and the time at which this case broke out ?

Mr. FISHER. I am informed that it was over eighteen days. That is from the death of the man on board the vessel until the passengers landed at Vancouver.

Mr. EARLE. Then the vessel was not properly quarantined at Yokohama ?

Mr. FISHER. I cannot say as to that. The usual time of incubation, I understand, is fourteen days.

Mr. DANIEL. I think the regulations of the department laid down by the hon. Minister of Agriculture are very unfair indeed to the provincial authorities in those cases where the voyage is technically completed on the arrival of the steamer at the first Canadian port, when it is really not completed until arrival at the second port. The same trouble that has arisen on the Pacific coast has more than once arisen on the Atlantic coast, where steamers have come across the Atlantic and put in at Halifax. After being examined there by the quarantine officer the vessel leaves for St. John, and disease breaks out on the vessel after it leaves Halifax and before it reaches St. John. Under the regulations laid down by the hon. Minister of Agriculture the quarantine officer in St. John takes no action in regard to that matter at all, and the consequence is that the whole difficulty, trouble and expense are loaded on the province, necessitating two sets of quarantine officers, one set under the control of the provincial authorities and the other under the control of the Dominion authorities. I do not think

it is at all fair to the place where the voyage is really concluded to have a regulation of that kind. A vessel may touch at the first port of call merely to discharge mails or passengers, whereas the main port of call is the second place arrived at. I certainly think that the department over which the hon. minister presides ought to make some change in these regulations, so that the voyage will be technically completed where it is really completed—at the port where the vessel is going to and where it discharges and takes on cargo. I am aware that we have had some correspondence between our city and the Department of Agriculture in regard to this matter. This is a question that has created a great deal of friction in our city, because we certainly do think it unfair to throw upon the city of St. John the expense of keeping a quarantine officer to go on board and examine passengers and ships when, under the British North America Act, quarantine is placed under the control of the Dominion authorities. I think, if these are the regulations of the department, it is time they were changed in simple justice to the city authorities where the voyage is completed.

Mr. KENDALL. I entirely agree with the remarks of my hon. friend from St. John (Mr. Daniel), because several incidents similar to those which he has referred to have come under my notice. If the Dominion government undertakes quarantine against disease coming from outside it should not take advantage of a technicality when a vessel calls at one port on her way to her destination. I would like to ask my hon. friend if the expenditures that were incurred there were not met by the Department of Marine and Fisheries instead of by the local authorities, as he says ?

Mr. DANIEL. The expense was met by the city of St. John.

Mr. KENDALL. I would like to ask my hon. friend from Marquette (Mr. Roche) if the communications which he read to the committee to-day were received by him from a medical man ?

Mr. W. J. ROCHE. The communication sent to me was from the secretary of the provincial board of health, Mr. E. M. Wood.

Mr. KENDALL. Is he a medical man ?

Mr. W. J. ROCHE. No, he is not a medical man.

Mr. KENDALL. My hon. friend (Mr. W. J. Roche) will readily appreciate that statement that he read to the House must convey the impression that the authorities in that locality are very lax. The hon. member for Marquette being a medical man of good standing himself will agree with me when I say that if the territory to the south of Manitoba was largely infected with small-pox, it would take perhaps 50 or 75 or 100 medical men along the boundary to guard that province from the invasion of persons with small-pox then on them. But persons who had contracted small-pox a few days before might come in dozens or hundreds and yet no number of medical men could be held responsible for an invasion of the disease into Manitoba. I think he will admit that.

Mr. W. J. ROCHE. I may say that the criticism made by this gentleman was not so much directed to the particular case he refers to along the boundary line except in so far as he had great difficulty in getting any information from the Dominion authorities as to what procedure would be followed in preventing an invasion of small-pox from the United States. He referred more particularly to the influx of Scotch and Ontario immigrants. I presume that Mr. E. M. Wood, who is a very intelligent gentleman and who has been secretary of the Provincial Board of Health for many years, voices the sentiments of the Provincial Board of Health, which is composed of medical men and that he is not doing this off his own bat.

Mr. KENDALL. I am sure my hon. friend (Mr. Roche) will agree that if they had an intelligent board of health there, there is but one intelligent thing they can do, and that is to vaccinate. Quarantine is all very well as far as it goes, but it is only a very partial preventive against small-pox. There is a divided authority to which the hon. member for St. John has just referred. The quarantine department deals with an invasion of any quarantinable disease from outside the Dominion, but if we have quarantinable diseases occurring on the sea-board in connection with the merchant marine, the officers of the Marine Department have to deal with it, and frequently the question of divided authority is important. I would again suggest that it is very nearly time that arrangements were made whereby quarantinable diseases on the sea-board at least would be dealt with by one department instead of by two departments. I do not know whether the Minister of Agriculture is waiting for recommendations from the medical men of the country or not, but if he is, I think the medical men in this House will secure before the next session recommendations from the various medical bodies throughout Canada to that effect.

There is another matter to which I wish to call his attention. I think that the medical men of Canada would endorse action on the part of the Minister of Agriculture along the line of providing for the establishment of a vaccine station at which medical men could obtain vaccine on which they could rely. We now have to take most of our vaccine from concerns south of the boundary and having had pretty large experience myself in the use of vaccine for some 20 years, I feel safe in saying—and I am sure this will be endorsed by every medical man—that

we feel on many occasions that the vaccine we get is not fresh. This is a matter of very great importance to any locality on the occurrence of the outbreak of small-pox. I would urge that the medical men throughout Canada would endorse the action of the Minister of Agriculture if he took steps to provide a vaccine farm for the benefit of the people.

Mr. SPROULE. There are already a number of vaccine farms in Canada. There are two in Ontario, one in Alberta and one in Manitoba.

Mr. KENDALL. Are these not all managed by private concerns.

Mr. SPROULE. Oh, no, one in Ontario is assisted by the Board of Health and is under its direction.

Mr. KENDALL. I am glad my hon. friend (Mr. Sproule) has brought that to my attention. The providing of good vaccine is so important that we should not leave it in the hands of speculators, for the temptation when a demand is made for large quantities of vaccine is so great that I fear in many cases old and valueless vaccine would be sent where good vaccine is required. For that reason I hold very strongly that a government vaccine farm should be established, because the medical men of the country would then feel safe in receiving vaccine; at least they would feel sure that no pecuniary interest precluded them from getting the best.

Mr. W. J. ROCHE. Have not some requests to that effect already been made to the department ?

Mr. FISHER. The matter has been discussed more or less, but I do not think there has been any request from medical men officially or from any body of men. The question has been up for consideration.

Mr. WILSON. I think it is most unfair to Ontario in these cases which I have brought to the attention of the House that the provincial government should be charged with the quarantining of 15 passengers at North Bay through the carelessness—I do not think that is too strong a word—of the Dominion officials at Vancouver. The regulations may be wrong, but there is one thing certain to my mind, that the officers of either the Department of Agriculture or of the Interior Department, ought to have the power to stop cases of this kind and to prevent people travelling through the country in cars as they please after having been exposed to contagious and dangerous diseases. I consider it is a most unfair thing to the province.

Mr. SPROULE. It seems to me there must have been something defective in the examination. I understood the minister to say that all the quarantine officer has to do is to examine the passengers on the vessel and look at the clearance at the last place of call. Now, if I understand correctly, he has to go a good deal farther. He has to inquire into any case of sickness that may have taken place on board or any death and to ascertain the nature of the disease. Apparently this was a case of small-pox and the patient had died. Any intelligent quarantine officer knows that the development of small-pox takes so many days after contagion, and that a vessel might pass one or two ports in the meantime without the incubation having advanced to such an extent that it would be apparent that it was small-pox. If it was brought to his attention that a case had occurred on board and that a patient had died so many days before, it would suggest to him that it was his duty to go further than simply examine the passengers, and if they were apparently in good health allow them to go over the country in any direction.

Mr. FISHER. My hon. friend is quite right, but in this case the criticism does not apply at all. My hon. friend knows that the ordinary period of incubation of small-pox is about 13 or 14 days.

Mr. SPROULE. 14 days.

Mr. FISHER. Fourteen days. The case the hon. gentleman refers to had occurred before the vessel reached the port of Kobé, and eighteen days elapsed between the time of her leaving that port and the time of her arrival at William's Head, Victoria: so that my officer had no reason for thinking that there could be a development of small-pox from that case which had occurred more than eighteen days before he had examined the vessel and after she had been thoroughly disinfected. The individual passenger who afterwards developed small-pox in Vancouver was carefully examined because he was ill. He showed no signs of small-pox, but he showed signs of sickness from having taken too much alcohol, having been drunk during most of the time he was on board.

Mr. SPROULE. How long was it between that time and the time the vessel reached Vancouver ?

Mr. FISHER. I suppose it reached Vancouver the next day.

Mr. SPROULE. And a few hours after he reached the hospital the small-pox was out on him ?

Mr. FISHER. He was not taken to the hospital as a small-pox patient. It was after he had got there, I do not know how long after, that the small-pox broke out on him.

Mr. WILSON. Can the minister tell the date of the arrival of the steamship ?

Mr. FISHER. I am not sure of the exact date.

Mr. WILSON. The article in the 'Citizen' says the man died on the 5th of May, and

the other man was taken with the disease on the 18th, which is only thirteen days after.

Mr. FISHER. That is not correct.

Mr. EARLE. The inference is that the ship could not have been properly fumigated at Yokohama.

Mr. FISHER. I cannot say as to that.

Mr. BLAIN. Do I understand the minister to say that the examination is made at the first Canadian port at which the vessel touches ? Suppose a vessel is destined for the port of St. John, and she first touches at Halifax, where she is examined and is given a clean bill. If disease develops between Halifax and St. John, which is a run of several hours, does the hon. gentleman mean to say that nothing can be done by the quarantine officers at St. John ?

Mr. FISHER. As a matter of fact, when a vessel comes from England to Halifax, the quarantine officer at Halifax examines it chiefly for the convenience of the ship and the people who land at Halifax ; but the vessel undergoes another examination at St. John, which is a quarantine port. If the vessel were not going to another quarantine port in Canada, the examination at Halifax would be more searching, and the vessel would then be free ; but we have given this concession to the shipowners in order to delay the vessel at Halifax as short a time as possible and have her re-examined at St. John. But the rule is that a vessel shall be examined where she first touches, and after that we have no more responsibility for her.

Mr. KENDALL. In case of contagious disease breaking out on a vessel between Halifax and St. John, would the hon. minister's department be liable for the expense ?

Mr. FISHER. It would stop at St. John.

Mr. KENDALL. Would you put the case into your own hospital ?

Mr. FISHER. Yes.

Mr. KENDALL. I hope that is so. If it is so, I hope the minister will take a different view from the view which has been entertained in his department on one or two occasions. That vessel would be a coastwise vessel, would she not ?

Mr. FISHER. Except in the sense that the examination at Halifax was not a complete examination.

Mr. KENDALL. If there were a complete examination at Halifax and a case of disease occurred on the way to St. John, would not the authorities of the Marine and Fisheries Department have to look after the case ?

Mr. FISHER. I do not think the Marine and Fisheries Department would look after the case when the vessel comes from a foreign port, unless she is under Canadian register.

Mr. BLAIN. I notice that last year the expenditure in the province of Quebec was $768.74 and the expenditure in the province of Ontario was $6,133.92. I do not understand why the expenditure is so much more in the province of Quebec, when we consider that most of the immigrants necessarily touch at the province of Quebec and do not touch at Ontario.

Mr. FISHER. I think those items are only for the frontier inspection, and have nothing to do with the organized quarantine ports. The expenditure in Quebec ought not to be under that item at all. It ought to have been under the Grosse Isle quarantine station.

Mr. MACPHERSON. I do not wish to say anything disparaging of the officer in charge of the quarantine station at William's Head, because I think he is eminently qualified to fill the position. The fact is that the 'Athenian' was given a clean Bill of health at the quarantine station; and after she left the quarantine station and proceeded to Victoria and on to Vancouver, one of the passengers developed some serious illness, was taken to the hospital at Vancouver, was found to be suffering from small-pox, from which he died. Although the minister says he died from alcoholic poisoning——

Mr. FISHER. No, I said that he had been suffering during the voyage and during the quarantine from too much alcohol, that when he was examined at Victoria by Dr. Watt, he was examined as a sick man, and was therefore more carefully examined than he would have been under ordinary circumstances ; that he was landed at Vancouver as a sick man and was taken to the hospital; that he was not supposed to be affected with contagious disease ; but that some time after he reached the hospital at Vancouver, he developed small-pox and died.

Mr. MACPHERSON. I beg the honourable gentleman's pardon. I did not quite catch what he said ; but the fact remains that some forty passengers are rounded up in our isolation hospital and have to be kept at the expense of the city of Vancouver. They have to be quarantined in that hospital, as the city cannot afford to have the small-pox spread and be visited again with this terrible scourge which afflicted us ten or twelve years ago. I think that in such a case, when our officers at Williams Head gives a clean bill of health, and a few hours after the disease breaks out and the city is put to considerable expense, the blame should lie at the doors of the quarantine officer, and it is rather unfair that the Dominion government should not recoup the city. I am not saying that our officers are negligent, because I know that Dr.

Watt, who is our quarantine officer at Williams Head, is one of the best men we have. He has done splendid work at that station, and since he has been in charge we have had very little trouble. This is the first instance in which there has been any. It seems to me that the Dominion government should investigate the matter thoroughly and find out if this man had the small-pox when he was examined by the quarantine officer; and if so, refund the city the expense it was put to.

Mr. FISHER. I have no hesitation in saying that in this individual case, as the facts are reported to me, no possible blame can attach to the quarantine officer at Williams Head. It was quite impossible for him to diagnose the case as small-pox. The question of paying the expenses in Vancouver or elsewhere is a matter of general policy which would have to be settled on general lines. There may be instances where the law may be a little hard, and where perhaps the government might assume the responsibility, but there are many others where it would be very hard to decide. Therefore definite clear lines have been laid down of quarantine responsibility; and when once we begin to doubt, we get into the habit of doing many things which this government should not be called on to do. As far as my own administration is concerned, I must adhere to the clear well-defined lines.

Mr. SPROULE. I do not think we can heartily agree in the hon. gentleman's conclusions with regard to this case. To begin with, there was a death from small-pox on board the vessel in question. Of that death there was a record, and the quarantine office must have known it. That in itself should have suggested great care. The officer comes in contact with the sick patient and examines him. We are told that the case was supposed to be one of alcoholic poisoning, but there is no resemblance between that and developed small-pox. The fact that a death from small-pox had occurred should have suggested to the medical man the necessity of ascertaining whether the symptoms in the case before him were not those which might be expected in the development of that disease. There was to say the least some carelessness, or otherwise the medical officer would have been sufficiently suspicious to look for symptoms of the same disease. True the vessel might be disinfected and the clothing, but often articles escape disinfection, which afterwards, when brought into contact with the human body, communicate the infection. There was a case of sickness on board which developed a few hours afterwards into small-pox. It was only a short time from the time the vessel left the quarantine station at Williams Head until she landed at Vancouver, and immediately on this patient being taken to the hospital, the small-pox was quite apparent. The pustules had developed, which could not have been the case if there had not been symptoms apparent for some time before. Take the temperature, the temperature of a patient suffering from alcoholic poisoning and that of one suffering from small-pox would be different.

Mr. FISHER. His temperature was normal.

Mr. SPROULE. It might have been, but I am afraid it would be quite difficult to convince medical men of that.

Mr. FISHER. It is so stated by medical men.

Mr. SPROULE. The symptoms must have been apparent when the man was lying ill, and there must have been some carelessness or they would not have escaped notice.

Mr. ALEX. JOHNSTON. There is what appears to me a weakness in the quarantine regulations which I pointed out on a former occasion. In the province of Nova Scotia, for instance, when a vessel leaves an American port and calls at a Canadian port, she is examined, but when she leaves the Canadian port and then proceeds to another Canadian port, this disease may develop during the voyage. No notice is taken if the disease breaks out after the ship has left one Canadian port and reaches another, the vessel being considered as a coastwise vessel. The hon. minister should look into that and see if the regulations could not be so amended as to meet cases of this kind which may arise any time.

Mr. MACPHERSON. After this man landed in Vancouver, he was examined and found to be suffering from small-pox. Could not the Dominion officer have sent this boat back to quarantine?

Mr. FISHER. That is not the interpretation put upon the law by the Department of Justice. Once a vessel has got a clear bill of health, we have no authority over it.

Mr. MACPHERSON. After having been examined at Williams Head and after she had reached Victoria, the disease broke out.

Mr. FISHER. The examination takes place between Williams Head and Victoria. It finishes just as she goes to Victoria. The doctor goes on board and frequently goes to Victoria with the ship. And, if he does keep her there, it is only for a couple of hours till she reaches the wharf at Victoria. Williams Head and Victoria are one port.

Mr. MACPHERSON. In the supposititious case, this vessel does not call at Victoria, but will go direct to Vancouver. After having passed Williams Head upon

going to Vancouver, she is not a coastwise vessel until she reaches Vancouver. It is a hardship to Vancouver that the regulations should be as they are. As a matter of fact this disease is brought in by a foreign vessel and landed on our shores in Vancouver. In the particular case that has been referred to, I do not think there is any possible chance of the disease spreading. But the fact of these people coming in causes the city of Vancouver to be put to very heavy expense. My impression is that the quarantine regulations should be such that, if any disease develops within fourteen days after the arrival of a vessel at quarantine, the Dominion government should be responsible, because the fact that it develops in that time proves that it was on the vessel.

Mr. WILSON. Is there any person who can tell us how the fifteen passengers got away that were reported to be in quarantine at Vancouver ?

Mr. MACPHERSON. I would like to set the hon. gentleman (Mr. Wilson) right about that. After the disease had broken out and the patient had died, our authorities in Vancouver rounded up all the passengers who had been on the boat and who were in the city. Of course, they had been going about the streets for three or four days. They have got them isolated now.

Mr. W. J. ROCHE. I notice that some of the hon. gentleman's officials are paid $100 a month while others are paid $150 a month. In some of the border towns, where apparently, there would be more work to do in connection with quarantine, the pay is only $100 while, for instance, Dr. Tyerman, of Prince Albert, received $150. The hon. gentleman (Mr. Fisher) will find it at page D—66 of the Auditor General's Report—salary for June, 1902, $150 and expenses $120.

Mr. FISHER. I can only say that the payments to Dr. Tyerman were made on Dr. Patterson initialling and authorizing the account. I cannot state now the reason why in this case $150 was paid, unless this gentleman had to be in constant attendance on some case at $5 per day for a month. In the cases the hon. gentleman refers to of officers on the frontier, these are appointed at a stated salary. These officers are appointed from here. But in other cases, Dr. Patterson is authorized to make what arrangements he can and he must initial all accounts.

Mr. ROSAMOND. I see that Dr. Hughes has been paid $100 a month for a certain portion, and from 1st April to June 30th, $200 a month. Why was that?

Mr. FISHER. I am informed that Dr. Hughes, during part of the time, was absent from home being sent down to the frontier, and he would not go for less than this salary. We could not get any other man, so we sent him. It was a temporary matter.

Mr. ROSAMOND. I do not know whether the minister has explained what seems an excessive charge for Dr. Patterson. I see charges $20 a day. That is as much as a cabinet minister receives.

Mr. FISHER. But my hon. friend (Mr. Rosamond) will see that it is not a yearly salary, but is paid for 250 days. When the arrangement was made it was expected that it would be for a short time.

Mr. ROSAMOND. Dr. Patterson gets not only $20 a day, but living expenses as well. This puts him in a better position than a cabinet minister who receives only $7,000.

Mr. FISHER. Oh, we are not in it with these professional men.

Mr. ROSAMOND. The director general only gets $4,000 a year which is much less in proportion to what this quarantine officer receives. I would like to know why Dr. Patterson is paid what seems to me an excessive salary ?

Mr. FISHER. I do not believe we could get a medical man who would take the responsibility and do the work at less than $20 a day. I confess that it seems to me to be a high rate, but I find that professional men, lawyers and doctors, insist on high salaries when paid by the day.

Mr. ROSAMOND. I venture to say there are hundreds of medical men in the west who would be glad to take the position at a much less rate than that.

Mr. W. J. ROCHE. I do not like to unduly criticise the charges of medical men and I realize that, in the west, most of them are deserving of a good fee. But there seems to be no uniformity in the charges that are made for the services rendered to the government. For instance, Dr. Tyerman, whose case I have called to the attention of the minister, charged $150 for his June salary, and I notice he charges 944 miles at $1 per mile for travelling. I am aware that that is the usual charge per mile for a limited number of miles, and I have no doubt that the number of miles is correct. But I see on page D—65, Dr. Calder, of Medicine Hat, whom I know to be a good medical man and a good surgeon, who was resident surgeon for a time of the Medicine Hat hospital, —who has always been reasonable in his charges to the government, charging for instance, 25 cents for vaccinations, while others charged $1—charges for 56 miles at only 50 cents per mile. The minister will see that there is no uniformity in these charges.

Mr. FISHER. I can only say that these accounts are submitted to Dr. Patterson, and are gone over by him and that he audits and initials them. I suppose he knows the circumstances under which the charges are made. I can readily understand that one man might have to drive a long

distance and take a pair of horses and a driver and so have to charge more per mile for driving a long distance than another would have to charge for a short distance which could be made with a single buggy and himself as driver. At the same time, I confess that I do not know that in one case there is a charge of fifty cents and in the other a charge of $1.

Mr. SPROULE. Is Dr. Patterson still in the employ of the government ?

Mr. FISHER. Yes, when he has any work to do.

Mr. SPROULE. I understood the minister to say he was a very careful man. How are his accounts paid ?

Mr. FISHER. These people send in their accounts regularly, I suppose about once a month, and they are paid as they are sent in. There might be a few small accounts kept over until they accumulate, but I think they are sent in once a month.

Mr. SPROULE. I find Dr. Patterson's account on page D—63 :

Nov. 16, 1901, to June 30, 1903, 250 days at $20 ; travelling and living expenses, $1,196.77 ; telegrams, $136.81 ; stenography and type-writing, $63.75 ; disinfectants, $7.50 ; total, $6,404.83.

This account extends over three years, and a good share of that ought to have been in last year's report. If Dr. Patterson is such an exact man, it is strange that his account should extend back over three years, and he gets paid for 250 days at $20 a day, besides these extras I have read. That seems to be a made up account, extending over a long time, and does not indicate business habits on the part of Dr. Patterson.

Mr. FISHER. There was one year, I forget which, when we ran out of money for some time, and had to wait until the House had voted it before we could pay the accounts. We had heavy accounts to pay a long time after they were due. What my hon. friend has read corroborates what I am saying. He will see that Dr. Patterson's account extends over a period of a year and eight months, he was paid for 250 days ; so he was not by any means paid for all his time ; it was only occasional days that he was paid for.

Mr. BLAIN. I do not think it is a proper system to allow a man like Dr. Patterson, who is a very active politician in the city of Winnipeg——

Mr. FISHER. Is he ?

Mr. BLAIN. My hon. friend knows well he is, or his salary would not be so high.

Mr. FISHER. No, that makes not a bit of difference. It is the profession, not the politics, that makes the salary high.

Mr. BLAIN. What I say is this : Here is a man located in the city of Winnipeg who has absolute control of that Northwest district. If he employs a man to do some outside service for him, a professional gentleman, the latter sends in his account, and Dr. Patterson has authority to pay the man $100 a month or $200 a month just as he likes.

Mr. FISHER. That is not quite a fair presentation of the case. Dr. Patterson knows the conditions and circumstances, and what arrangements he made, and he initials the account to show that according to those arrangements and under those conditions and circumstances, he thinks it a reasonable account. My hon. friend knows that is the regular custom in all branches of the public service. The official who has charge of that branch sends in the account to the department initialling it and declaring that he believes it to be a proper and just account, and the department takes his initials as a sufficient guarantee.

Mr. BLAIN. It is giving too much power to an official of that kind.

Mr. FISHER. Let me add that if in such account there seems to be anything unusual or improper then the head officer of the department here has the right to criticise it and send it back for readjustment. That is not unfrequently done. As I said a little while ago, in Dr. Patterson's case that did not seem to be necessary because the officers here tell me his accounts have always been in very good shape.

Mr. BLAIN. It is like the case of the minister. Here a minister comes forward with a large expenditure asking for a vote $160,000. The hon. gentleman comes before the committee to explain the vote, and in the accounts that were passed and paid last year we find one man getting $100 a month and another getting $200 a month, all doing work in the same part of the country. The hon. gentleman was asked for an explanation, and he says, this officer of mine has absolute power, and I can give no explanation of this increased expenditure. Dr. Patterson has power to make the mileage $9 per mile or $20 per mile. That is the objection I take to this item. I think the hon. gentleman should prepare a schedule of rates to apply to that section of the country, and Dr. Patterson in the city of Winnipeg should be compelled to live up to those rates. He is an active politician in the city of Winnipeg and he should not have a right to employ doctors all over that country and pay them as he wishes.

Mr. FISHER. Is he an active politician ? I do not know.

Mr. BLAIN. My hon. friend need not ask that, because Dr. Patterson would not be in that position if he was not a good supporter of my hon. friend.

Mr. FISHER. I really do not know.

Mr. BLAIN. I am sure this other gentleman, Dr. Shearman, is.

Mr. FISHER. The hon. gentleman's neighbour (Mr. Roche) could tell us more about Dr. Patterson than I could.

Mr. BRODEUR. Did not Dr. Patterson oppose the Minister of the Interior ?

Mr. BLAIN. My hon. friend seems to know a good deal about the matter. Perhaps he would be good enough to say whether he did or not.

Mr. BRODEUR. I am informed that he opposed the Minister of the Interior ?

Mr. BLAIN. I am informed there are many Liberals in that part of the country in the same box.

Mr. W. J. ROCHE. I do not think Dr. Patterson would at all deny that he was friendly to the Liberal party. I do not criticise this case, but I can vouch for Dr. Patterson being a good staunch Liberal.

Mr. FISHER. I am glad to hear it. I will have greater confidence in him than before.

Mr. BLAIN. As I have already suggested, I think it would be better policy for the minister to lay down a schedule of rates and hand it to Dr. Patterson, and give him absolute instructions in respect to this matter. I think it is putting altogether too much power into the hands of a special officer in the city of Winnipeg.

Mr. FISHER. My hon. friend knows that that is done with the chief officer in every branch of the service.

Mr. BLAIN. There are no such accounts like this in other branches. But, leaving that, I was going to remark that a great number of immigrants are coming in now from the old countries, some of them of a very desirable character and some which the Canadian people are taking exception to. My hon. friend knows that a considerable amount of disease is brought over by immigrants in these vessels. The discussion that has taken place has disclosed the fact that not a very thorough examination of these immigrants takes place at the quarantine stations because sometimes they pass by and in a day or two disease breaks out.

Mr. FISHER. Yes, that is possible.

Mr. BLAIN. I am not going to discuss that now but what I was going to say was this : Would it not be advisable to put medical officers on board of these vessels on which 300 or 400 immigrants are coming out ?

Mr. FISHER. They all have medical officers.

Mr. BLAIN. Not in the employ of the government.

Mr. FISHER. No, but in the employ of the ships.

Mr. BLAIN. I think the money would be better expended, if, when 200 or 300 immigrants take passage on a vessel, the Dominion government were to have a medical health officer on that vessel to make a thorough and complete examination of the immigrants so that when the vessel arrives at Halifax, or St. John, or Victoria, he will be able to give a clean bill of health, so that we would not have such cases occurring as those which have come up for discussion this afternoon.

Mr. FISHER. It is just that kind of thing that is done by the ship's officers.

Mr. BLAIN. They are not responsible to the government.

Mr. FISHER. No, but they are responsible to the ship-owners and the ship-owners are extremely anxious that no difficulty should arise. The steamship-owners impress upon the medical men employed by them the extreme necessity that there is for careful supervision so that when a ship does arrive at quarantine it shall not be delayed. One of the most serious difficulties that ship-owners have to meet with is delay at quarantine, and they take the most extreme pains on all their vessels so that they may obtain a clean bill of health at once. With that object in view they impress upon their own medical officers the greatest care, and if the medical officer finds any disease upon a ship that is quarantinable the case is immediately segregated and quarantined on board the ship in such a manner as to prevent the disease spreading. We know all about that and I can assure my hon. friend that it is the general practice of the doctors on board ships which carry immigrants. Of course I want to say in regard to quarantine work that there are no human means by which disease can be absolutely and entirely shut out. Our quarantine prevention is only just so much as can be done. Cases of the kind that occurred on the 'Athenian,' may occur at any time. There are phases in the course of disease which are such that no doctor can possibly, entirely and always successfully diagnose. These are rare cases but they sometimes occur. We can only make our rules and our laws such as to meet the ordinary course of disease and deal with it in the ordinary way.

Mr. BLAIN. If a vessel arrives at Halifax with 200 immigrants on board, how long would she stay there to permit of the examination of the passengers?

Mr. FISHER. In the first place the doctor on the ship makes his report. In the second place the whole of the people on board are passed under the eye of the

medical officer. Medical officers who are accustomed to this kind of work are generally quick to detect any indications of debility or disease, and after they do so detect them they make a special examination. For one of these documents in ninety-nine cases out of a hundred, a mere glance is sufficient to show that a person is not affected by any ordinary disease and that is the way the inspection is made. I am reminded that the evidence of the ship's surgeon is taken under oath. He makes a statutory declaration and that statement is prima facie evidence as to the conditions on board.

Mr. EARLE. Do I understand the hon. minister to say that the ship is detained at the quarantine station while the examination of the passengers is made? After the medical officer has obtained the report from the medical officer of the ship does he not go on board the ship and make the examination on the way ?

Mr. FISHER. That is a matter of convenience. I suppose my hon. friend (Mr. Earle) is referring to the practice at Williams Head. Williams Head is some three or four hours out of Victoria.

Mr. EARLE. It is eight miles from Victoria.

Mr. FISHER. Well then it is only about an hour from Victoria. When Dr. Watt stops the vessels at Williams Head, if everybody appears to be all right and he can get through with the inspection in an hour or two, the vessel stays there and he does not go on to Victoria. Sometimes he does go into Victoria and then returns. In that respect he tries to suit the convenience of the ship as much as possible. If it is a little late and the captain wants to get into Victoria before dark he will go on board and make the examination there. If not, he may keep the vessel at Williams Head while making the examination.

Mr. EARLE. In reference to the case of small-pox that occurred, it strikes me that when a ship comes in and the report of the medical officer shows that a case of small-pox had been on board and that only a short time would elapse before the expiration of the period for incubation, it would be better to detain the ship. In this case such a course would have been effective in preventing an outbreak of the disease.

Mr. FISHER. In this case there was a difference of four days. There were 18 days between the time of the vessel's leaving Kobe where she was disinfected by the Japanese quarantine authorities and her arrival at Williams Head where she was examined by Dr. Watt. That would leave a margin of four days and I may say that most medical men would consider that as a sufficient margin.

Mr. EARLE. I was mistaken in the time. The statement in the press was that only 13 days had elapsed.

Mr. FISHER.

Mr. SPROULE. Is the hon. minister keeping up the practice of employing medical men in various towns throughout the country which prevailed before ? I see in the Auditor General's Report the following :

Beaver Hills : McCrimmon, A. A., M.D., salary. July 1 to Sept. 5, 1902, Jan. 2 to June 30, 1903, at $100, $813.43.

Bruce Mines : Parker, F., M.D., salary, July 1 to Sept. 5, 1902, April 1 to 15, 1903, May 1 to June 30, 1903, at $100, $469.99.

Then there is one at Fort William, Dr. Hamilton, and two at Owen Sound.

Owen Sound—

Hershey, J. A., M.D., salary, April 15 to June 30, 1903, at $100, $253.33.

McCullough, J. A., M.D., salary, July 1 to Sept. 5, 1902, at $100, $216.66.

Mr. FISHER. Since the year that the Auditor General's Report covers we have practically done away with this practice because the danger has ceased. At the present time there are two officers in Ontario, one at Sault Ste. Marie as there are still some small-pox cases reported to exist in some of the lumber camps in Minnesota, and one at Rainy River, also due to the existence of some cases in the lumber camps in Minnesota. These are the only two that are in Ontario. We dismiss them as soon as the danger seems to disappear.

Mr. SPROULE. One or two of the members on this side wish to have a little explanation on some of these items and perhaps one might be allowed to stand.

Mr. FISHER. This is only one item.

At six o'clock, House took recess.

After Recess.

PRIVATE BILLS.

OTTAWA ELECTRIC COMPANY.

House in Committee on Bill (No. 110) respecting the Ottawa Electric Company.—Mr. Champagne.

Mr. BIRKETT. Mr. Chairman, I beg to move that the Bill be not now considered but be referred back to the committee for further consideration. He said : My object in doing that, Mr. Chairman, is that the Bill in its present condition——

Mr. DEPUTY SPEAKER. If you wish to refer it back to committee again that would be done on the motion for third reading. When the Bill has been considered in committee and reported to the House then on the third reading you could make this motion.

Mr. BIRKETT. My objection to the Bill in its present position is that there seems to be quite a misunderstanding even among those who are anxious to have the Bill passed in its present form. Even some of the shareholders of the company do not

seem to quite understand the Bill as it has been reported by the Private Bills Committee. The Bill asks for power to purchase shares in another company. That matter was simply disposed of by the solicitor who had charge of the Bill in the Private Bills Committee saying that the object in asking for the increase of capital from $1,000,000 to $1,500,000 was to acquire more power and the reason he gave for that was that a hydraulic engineer is now surveying and taking the soundings of water powers on the upper Chaudière, and that in all probability the raising of the water from its present level would dispose of some of the water privileges that are there now and they want additional capital to purchase these water powers. The object of those who are asking for the passage of this Bill is to acquire sufficient stock to give them a controlling interest in some of the now existing electric companies of the city. The city of Ottawa objects to this on the ground that there are now three electric companies in the city. Two of these are active and the other is not active. One is the Ottawa Electric Company which is the outcome of the old Chaudière Company and the Standard. The Consumers is an active company doing business, and I understand doing a good business. The Metropolitan obtained a franchise from the city I think, in 1898, but they never materialized. They spent a large amount of money but never supplied any electricity. The objection the city takes to the Bill is that there is a condition attached to the franchise given to the Consumers' Company. The object of the city of Ottawa in granting a charter to the Metropolitan Company and to the Consumers' Company was to secure competition in electric light with the Ottawa Electric Company. At the time that the franchises were granted to these two companies, there was only the one company, the Ottawa which had been formed by the amalgamation of the Standard Company and the Chaudière Company, and the consumers of electric light generally were under the impression that they were paying more for electric light than they should. The charter of the Ottawa Electric Company provided that the company could only acquire stock, powers, or securities of other electric companies as consideration for goods, wares or merchandise, supplied to such other companies in the ordinary course of business. It is now sought to have this provision struck out. That is the reason why the city objects to this. They have no objection to the increase of capital. The company use it for any purpose they like other than to acquire a controlling power in either of the existing companies ; if they could acquire such a control it would be greatly to the detriment of the city.

The clause to which we object is paragraph 2 of section 7 :

> Acquires shares in the capital stock, debentures and securities of other electric companies or of companies possessing powers similar to those of the company, as the consideration for goods, wares, or merchandise, sold to such other companies in the ordinary course of business.

Now they want to amend that by striking out all words after the word 'company" which will permit them to acquire shares of other companies.

Mr. E. F. CLARKE. What power would that give them ?

Mr. BIRKETT. That would give them power to control all the electricity we have in the city. If they acquire a controlling power in the other two companies, competition so far as electric light is concerned, is at an end in the city of Ottawa. A great deal has been said about the company not paying any dividends. There are various opinions upon that subject. Personally I am not in a position to express an opinion other than what I have heard. The company to-day stands with a capital of $1,000,000 but it is questionable whether they have received the million dollars or not, whether that million dollars has not been watered to such an extent that the company has received but a very small portion of what it should have received from that amount of capital.

An instance has been brought to my notice to-day ; that is, that when the amalgamation between the Standard and the Ottawa companies took place they paid an annuity, which they have continued to pay, to one gentleman of $15,000 a year. That $15,000 has been paid out of impaired capital, and amounts to one and a half per cent on the gross capital of the company. If the company were deriving any benefit from the paying of that annuity, the shareholders would not be in the position they are in to-day, of receiving no dividends on their stock. What I would like the committee to do is to consider clause 2, and the advantages which the company wish to derive from striking out the latter portion of it to the detriment, not only of the city, but of every citizen of Ottawa. We all know that it is much easier to create a monopoly than to destroy it after it has been created ; and if this company is allowed to have this enactment, we shall have one of the greatest monopolies in the city of Ottawa to be found in the whole Dominion. I may say that at the present time the price we are paying in Ottawa for electric light is not less than the price paid in other cities. I saw a telegram from Hamilton to-day informing me that the price paid there was about the same as ours, although there is no competition in that city. If by the passing of this Bill competition is taken away, instead of the Bill being sent back to the committee to have the matter, if possible, adjusted, the result may be to impose a heavy tax upon the citizens of

Ottawa. I would, therefore, ask this committee not to enact this legislation, which would be so detrimental to the citizens. I ask it in the spirit of fair-play, as one of the representatives of the city. I am satisfied that the government do not wish to do less for the city than they would do for a private individual; and no individual would do or assist in doing to another what this company is asking to be done to the city. I trust that this will not be a case of legislating for a few when the many are interested. Let us have legislation for the many where the few are interested. I leave the matter in the hands of the committee, trusting that it will have due consideration. Before sitting down I wish to say that when this matter was before the Private Bills Committee, out of the seventy-nine members of this House of which that committee is composed, there were only thirty-three present, and the Bill was carried by a vote of nineteen in favour of it and fourteen against, a majority of only five. There has been a good deal of comment as to why I, as a member of that committee, was not present on that occasion. I do not suppose that this committee is interested in my private affairs, but I can explain my absence in a very few words. I was not present at the meeting of the committee simply because I was prevented by circumstances over which I had no control. I was not at the House on the evening previous and did not get my mail, hence I did not receive the notice of the meeting, and did not know of it. I was attending to other business when, perhaps, I should have been here. I hope the committee will consider this matter in the light in which I have endeavoured to place it before them.

Mr. PUTTEE. Is there an amendment moved?

Mr. DEPUTY SPEAKER. We have not yet arrived at a stage when an amendment can be moved.

Mr. PUTTEE. There is an amendment standing in my name to be moved on the third reading of the Bill; but there was an understanding that it would be preferable to have the Bill sent back to the Private Bills Committee without any instructions except for further consideration. If that can be done, that is far the best thing to do.

Mr. DEPUTY SPEAKER. The committee has no power to refer a Bill back. The House can do that.

Mr. SPROULE. I move that the committee rise and report progress for the purpose of having the Bill referred back to the Private Bills Committee. I do so for what I regard as a very good reason. It is quite clear what the aim of the promoters of the Bill is. I remember very distinctly the fight that took place in this House and in the Private Bills Committee over the new company that was chartered some years ago for the purpose of giving permanent competition in furnishing electric light and power to Ottawa. That was the special plea put forward for the granting of that charter, and the promoters of the Bill were quite content to have the clause put in which we are asked to throw out to-day, that is, that the company should not be allowed to buy the stock of other companies except on special lines, so that amalgamation would be prevented. There was no objection to that on the part of the promoters of the Bill, and the city of Ottawa, through its council, represented that that was its desire as well. All that was wanted was to secure permanent competition. The committee was content with that explanation, and passed the Bill. That competition has gone on for years, and now an effort is made to increase the stock of the company. The promoters of this Bill do not disclose the real object of increasing the stock. They represent that it is for the purpose of increasing the water power of the company, whereas it turns out that the object is to enable the company to get control of other companies in the same line. If the committee had understood this, I do not think it would have granted it, and I am quite sure that if the House understands it, it will not consent to the passage of this Bill for the purpose of forcing what would be a monopoly for all time to come on the city of Ottawa.

Mr. CLARKE. I am not a member of the Private Bills Committee, consequently I was not present at the meeting in question.

Mr. COWAN. The matter was discussed very fully on both sides for about an hour and a quarter, and the attendance was probably the largest that I have seen at the Private Bills Committee.

Mr. LANCASTER. How many were present and voted for it in the committee?

Mr. COWAN. Thirty-three voted—19 for the Bill and 14 against it.

Mr. CLARKE. I do not think this committee should be guided entirely by the fact that there were thirty-three present in the Private Bills Committee when this measure was before it and that nineteen voted one way and fourteen the other. The substantial fact is that the representative of the city of Ottawa and our colleague in the House (Mr. Birkett) enters a protest against the passage of the Bill in its present form for reasons he has given. I am sure that those who are promoting the Bill and those who are opposing it could, if the opportunity were given, come together and arrive at some compromise. I think this measure should be held over, in view of the strong protest made against it, and the parties given an opportunity to come to an understanding.

Mr. LENNOX. I hope that this measure will not be pressed through to-night and that an endeavour will be made to reach a compromise. We are all interested in it to a greater degree than we are in any ordinary Bill. For a large portion of the year, and for an increasing portion every year, we are spending our lives in Ottawa and are doing a good deal to improve the city. I understand that it is the ambition of the right hon. gentleman who leads the House—a very laudable ambition—to make Ottawa the Washington of the north. And I think therefore, we should be very careful not to do anything that will embarrass the citizens in advancing the interests of their city. I do not know anything about what took place in the Private Bills Committee, but the hon. member for Ottawa (Mr. Birkett) has certainly made a very strong plea for reconsideration of the matter, and I think no harm, but good will result by our not adopting the Bill to-day.

Mr. GALLIHER. I was present in the Committee on Private Bills during a considerable portion of the time this Bill was being discussed. My hon. friend from West Toronto (Mr. Clarke) wants that Bill to go back again in order that some compromise may be arrived at. The difference between the two parties is simply this: The Ottawa Electric Company, in their charter, are restricted from purchasing the stock of other companies except in payment for supplies, and they want to be allowed to purchase the stock without any restriction. On the other hand, the city of Ottawa wants to except from such power the stock in the two other companies, the Consumers and the Metropolitan.

Mr. CLARKE. They are the only other electric light companies in Ottawa.

Mr. GALLIHER. Will the hon. gentleman suggest any possible way by which they could arrive at a compromise ?

Mr. CLARKE. Yes, if I am correctly informed, there is a limitation in the charters of the other two companies—the Metropolitan and the Consumers—as to the maximum price they can charge for light, but there is no such limitation in the charter of the Ottawa Electric Company. While I am not authorized to speak on anybody's behalf, it seems to me that a compromise might be reached whereby the maximum price which the Ottawa Company can charge would be limited to the price fixed in the charters of the other two companies.

Mr. LAVELL. The original Bill suggests a method by which a compromise might be reached. Under the original Bill, paragraph 8, provision is made by this parliament whereby the company may purchase the franchises of certain electric light and power companies, but there is a proviso which limits the right of purchase, and when they do acquire the franchises of those other companies named in the original Act, they take them subject to a very important proviso. I gather from what has been said by the hon. member for Ottawa that that is the point which most affects the city. The proviso subject to which the Ottawa Electric Company may take possession of the franchises and rights of the companies named in its charter is this :

> Provided that after any such purchase, lease, or other acquirements, working arrangement or amalgamation as aforesaid, is entered into, the company shall not, without the consent by by-law or otherwise of the municipality of the city of Ottawa, or of the city of Hull, respectively, as the case may be, increase the ordinary prices or rates charged by any of the said other companies for electric light in the city of Ottawa or in the city of Hull, respectively, at the time such lease, purchase or other acquirement, working arrangement or amalgamation is entered into.

That is a very important proviso. In 1894 when this charter was asked for, the Private Bills Committee would not permit the Ottawa Company to acquire the franchises of the companies definitely named without some precaution to protect the two municipalities. I know not what may be in the minds of the city council of Ottawa or the hon. member for Ottawa, with respect to a possible compromise, but in addition to the suggestion thrown out by my hon. friend from West Toronto, there is this suggestion in the original Act itself. I think there is considerable more in this Act than the private interests of either the Ottawa Electric Company or the Ottawa city, because the second clause touches on a principle which will be very far-reaching in its effects, if it is going to be accepted as a precedent by this House. I do not want to go into the merits now, although if the Bill goes so far as the third reading, I shall consider myself bound to do so, but I call attention to this point, that that section of the Bill, if passed in the form in which it is now, practically recognizes the principle that an electric light company can hold the stocks and control the interests of any other similar company. That, if carried out to its full extent, would warrant the most complete merger that can be devised and be of great assistance to the formation of large trusts. Hon. members will remember the late dispute and litigation over the Northern Securities Company, which after all was only what is asked for in this Bill. If parliament is prepared to recognize a principle which leads to the formation of great trusts without the interference of legislative authority, it will be perfectly safe to pass this particular clause, but I draw attention to the point as affecting the general interests of Canada. As to whether some form of compromise may be arrived at between the city and the Ottawa Electric Company, it seems to me that there is a basis for compromise in the

charter itself, and that some understanding might be reached which would enable the company to do this business and yet prevent the citizens of Ottawa from feeling that they are in the clutches of a great monopoly. I would call attention to the fact that the Bill itself, in every one of its clauses, very plainly points to the machinery for creating such a monopoly, for not only is the capital to be increased—against which I have not the slightest objection—but clause 3 of the Bill increases its borrowing powers by fifty per cent. That is, the original Act allows them to borrow up to fifty per cent of the paid up stock, while this amending Act makes provision for borrowing up to seventy-five per cent. The first and third clauses, I would be personally willing to support, but, taken in connection with the second clause the whole Bill points in the direction of an attempt to create a huge monopoly.

Mr. LANCASTER. I do not think that any good purpose can be served by insisting on this legislation being passed through in what, I must say, is, under the circumstances, a very hurried way. The hon. member from Ottawa (Mr. Birkett) has told us in a very few words why he thinks this legislation will injuriously affect the city of Ottawa ; and it seems to me that hon. members of the House might take a hint from that and consider how it will affect the whole Dominion of Canada. In my opinion there is a good deal of private legislation passed without hon. gentlemen, either in the committee or in the House, considering it from the standpoint of its effect upon the Dominion at large, I do not understand that legislation is to be passed simply because those who are interested ask for it and people at the moment do not see reason for objecting to it. I think the onus rests upon every hon. member to look further and consider whether legislation is wise in the interest of Canada as a whole. Unless we have reason to believe that legislation is in the interest of the Dominion, whether public or private, I, for one, until better advised hold that we ought not to pass it. There seems to be a disposition to overlook this point and to pass legislation simply because it is asked for. In passing the Bill in its present form, it seems to me, the committee has run counter to the principle actuating other Select Committees so far as I have knowledge of their proceedings. For instance, in the Railway Committee, when some railway seeks to buy up or amalgamate with other railways that might compete with it, the committee always insists that it shall be upon terms that shall afford due protection to the public interest. Now, in this case we find that the Act of Incorporation of the Ottawa Electric Company, passed in 1894 provides that this company may acquire shares in the capital, stocks, and debentures and securities of other electric companies or companies possessing powers similar to those of the company as the consideration of goods, wares and merchandise sold to such other companies in the ordinary course of business. It is these final words, 'as the consideration for goods, wares and merchandise sold to such other companies in the ordinary course of business' that it is proposed to strike out. So, the qualification or limitation, by no means a small one, it is sought deliberately to strike out. And, apparently nobody advocating this Bill pays the House the compliment, or does hon. members the justice, to explain why this limitation is to be removed, and why this Act, passed in 1894, apparently carefully drawn and fully considered and now in force for ten years, is to be thus changed. The principle involved, it seems to me, is a most important one. Under this legislation, passed ten years ago, the city of Ottawa has acted and grown ; under it the people of Ottawa have dealt, apparently supposing that the Dominion parliament would support them in the conclusion, reasonably drawn, that their interest as defined by the Act would not be prejudiced. The people of all Canada, for that matter, have a right to suppose that no legislation will pass this House without due reason given, to change the law in the light of which they have carried on their business and made their arrangements. The city of Ottawa, assists or refuses to assist, deals with or refuses to deal with, certain companies because the legislation of 1894 is on the statute-book. And now, without reason given, it is proposed to strike out these important words that qualify or limit the operation of this company and to allow the company to swallow up unconditionally any other company, in the same business, to which the people might look for competition which would secure for them reasonable prices in such services as this company is authorized to render. The hon. member for North Leeds (Mr. Lavell) very properly, in my opinion, pointed out the provision at the end of section 8 to the effect :

> Provided that after any such purchase, lease or other acquirement, working arrangement or amalgamation as aforesaid is entered into, the company shall not, without the consent by by-law or otherwise of the municipality of the city of Ottawa, or of the city of Hull, respectively, as the case may be, increase the ordinary prices or rates charged by any of the said other companies for electric light in the city of Ottawa or in the city of Hull, respectively at the time such purchase, lease or other acquirement, working arrangement, or amalgamation is entered into.

That provision, he pointed out, had been carefully drawn in regard to this company launched in 1894. Now, what about the other companies that have sprung up since: for instance, the Metropolitan, brought into existence for the purpose of creating competition with this company ? The Metro-

politan and those people interested in it would have a right to sell out without that restriction to this company, while these other companies, that are equally entitled to consideration, cannot sell out without these restrictions put upon them, and upon their assignees, if they do sell. The effect would be that the Metropolitan would get a franchise unconditionally and without these restrictions, and other companies are not bound by these restrictions—for the companies that are to be allowed to sell out to this company by the statutes of 1894 are all enumerated, and those only that are enumerated are bound by that provision. It would not only practically nullify one section of the Act by another section, but it does more. The company that has come into existence since this, in 1894, not being mentioned in that section, would have a right to sell out to the Ottawa Electric Company its franchises, make all its arrangements, and do it without the Ottawa Electric Company being bound by the same provisions that it is bound by in buying out these other companies. It seems to me to be making special legislation for the benefit of certain people. I do not know or care who the people are that are interested in any of these companies ; but we must not pass legislation in this hasty way that is going to have the effect of giving some people rights that we take great care to see that other people shall not have without certain conditions. I think it is a very wise suggestion that this committee rise in order that the matter may be further considered, in order that what we have pointed out may be met. I think no harm can be done. There will be plenty of time to pass the Act this session, if it is to become law, with the further advantage that many gentlemen in this House, who may not belong to the select committee which may be appointed to consider it, like myself, for instance, may become better acquainted with it. I have every respect for the Miscellaneous Private Bills Committee, but in a question like this, on which there is such a great difference of opinion, I am bound to raise my voice here to-night and to give effect to my objections, because every member of parliament becomes responsible for this legislation after it goes through the House unless he opposes it. Under the circumstances, I think the committee ought to rise, report progress and ask leave to have this matter referred back. I am influenced by the fact that only nineteen members of the Private Bills Committee have thought that this ought to pass, and only fourteen voted against it. So 195 members of this House have not had an opportunity of expressing their opinion upon it, other than the fourteen who voted against it in the committee. Under the circumstances, I hope the premier will consider this as a reasonable request under the circumstances.

Mr. BIRKETT. I would like to ask my hon. colleague, the Speaker of this House, to accept with me the suggestions of the hon. member for West Toronto (Mr. Clarke), and ask the committee of the House to refer this Bill back to the Committee on Private Bills for the purpose of hearing the city council. So far the matter has not been discussed by the city council, to my knowledge. This being a matter of such vital importance to the city, it ought not to be too hastily acted upon. I would like to hear from the hon. the Speaker, and have him express his opinion on the matter, as I feel satisfied that if this matter is referred to the committee again that some amicable arrangement will be arrived at between the city council and the company in regard to the regulation of rates for the charges of electric light to the city, something similar to what appears in the Consumers' charter.

Some hon. MEMBERS. The city council were heard before the committee.

Mr. BIRKETT. I am satisfied that what I am asking is only just. The Solicitor General has supported the contention I am making now, also the hon. member for Winnipeg (Mr. Puttee), the hon. member for East Queen's (Mr. MacKinnon) and the hon. member for Lisgar (Mr. Stewart). I would ask that the members of this committee give serious consideration to this matter. I would like to hear from some member of the government. This is a matter that interests the people of Ottawa more than any other question that has come before the House.

Mr. SPROULE. I would like to read the request made by the city council of Ottawa, because I think it puts the case so plain that the committee can easily understand it. I have a very distinct recollection of the time when the Ottawa Electric Company was first incorporated. The mayor and city solicitor of Ottawa say in their petition :

The Bill provides :

1. That the capital stock of the company be increased from $1,000,000 to $1,500,000.

2. That the company may issue bonds to the amount of $1,125,000 instead of $500,000 as at present.

In both these cases there is a large increase in the bonding power. The reason, I understand, they gave was that they wished to improve their water power.

3. That the company may acquire shares in the capital stock, debentures and securities of other electric companies ; and that the proviso be struck out of the original Act which provides that such stock, debentures or securities shall only be issued 'as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.'

That was all the privilege they were allowed in the use of their stock.

In 1898 the city granted a franchise to the Metropolitan Company of Ottawa, Ltd., authorizing that company to erect poles and wires for the purpose of supplying electric light and

power. Maximum rates for electric light and power were fixed in that franchise.

The following clause was inserted in that franchise :—

15. That the said company shall not at any time during the said period amalgamate or combine with any other company or companies now carrying on or which may hereafter at any time during the said period carry on in the said city of Ottawa, the business of supplying electricity for the purpose of power, light or heat, nor shall the said company enter into any contract, agreement or arrangement with any such company for such purpose or that shall have such effect, nor shall the said company enter into any contract, agreement or arrangement with any such company for the purpose, or that may have the effect of creating a monopoly of the business of supplying electricity for the purpose aforesaid in the city of Ottawa, without the permission of the council of the corporation of the city of Ottawa, to be expressed by by-law.

Which they have not done ; they have expressed their opinion straight against it.

It will be seen that the purpose of this provision was to prevent the company obtaining the franchise, from amalgamating or selling out to any other electric light company. The terms of the franchise of the Metropolitan Company was for 21 years from 1898.

The Metropolitan Company not having entered upon the business of supplying electric light, heat and power, the city of Ottawa in 1901, gave a twenty-three year franchise to the Consumer's Electric Company, Ltd. In that franchise the maximum rates for commercial lighting and power were also fixed.

A similar proviso to that in the Metropolitan Company's franchise was inserted in the Consumer's franchise providing that the latter company should not amalgamate or sell out to any other electric light company.

That was to prevent a monopoly.

The object of the city of Ottawa in granting, first, the Metropolitan franchise, and then the Consumer's franchise, was to secure competition in electric lighting with the Ottawa Electric Company.

The city, at the time these franchises were granted, relied on the provision in the Ottawa Electric Company's Act of Incorporation, which provided that that company could only acquire the stock, debentures or securities of other electric companies 'as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.' It is now sought to have this protection to the city struck out.

When the Bill in question was before the Private Bills Committee an amendment was moved, that the power to purchase stock in other companies should not apply to the stock of the Metropolitan or the Consumers' Company.

These are the only two other companies that are doing business in the same manner in Ottawa :

This amendment was lost by 19 to 14——

Showing that there was not a very large attendance at the Private Bills Committee.

The refusal of the Ottawa Electric Company to accept this amendment, indicates clearly that the real purpose of the Bill is to enable the Ottawa Company to buy out the Metropolitan and the Consumers' Company or one of them.

The city of Ottawa submits that parliament should not enact legislation which will have the effect of taking away from the city the guarantee which it now has that there will be competition in the supply of electric light, heat and power ; and also submits that the amendment proposed in the Private Bills Committee should be inserted in the Bill.

The evident intention of the Bill is to enable the Metropolitan and the Consumers' Companies to get rid of the provisions against amalgamating or selling out to any other electric light company, which were inserted in these companies' franchises by the city for the express purpose of securing competition, and consequently low rates for electric lighting.

The only companies at present in existence in Ottawa whose stock can be purchased by the Ottawa Electric Company, in the event of the legislation now asked for by the latter company being granted, are the Metropolitan and the Consumers' Companies. If the Ottawa Electric Company does not want the legislation asked for, for the purpose of purchasing the stock of either or both of these companies, it cannot be prejudiced if the legislation is not granted at present. If it is required for the purpose of acquiring the stock in some company not yet in existence the legislation now asked for can be obtained when that company comes into existence.

Ottawa, 2nd June, 1904.

TAYLOR McVEITY,
City Solicitor, Ottawa.

J. A. Ellis,
Mayor of Ottawa.

This is the requestion from the city of Ottawa which took good care that a clause should be inserted in the original Bill for the purpose of preventing amalgamation, for the purpose of preventing monopoly, and for the purpose of securing the supply of light in perpetuity at a fair figure. Now the promoters of this Bill come to parliament and ask to be relieved from that position while the corporation of the city of Ottawa who are above all others interested in this question ask that a clause shall be inserted in the Bill which will prevent this company from forcing a monopoly upon the people of Ottawa.

Mr. BLAIN. My hon. friend from Ottawa (Mr. Birkett) has made a very important request of the committee, a request that the government of the day should listen to. It has been explained that when this question was before the Private Bills Committee 33 members were present and I am informed that the Mayor of Ottawa and an important delegation representing the city were also present opposing this Bill. It is true that they were not successful before the committee, but 14 members of the committee out of 33 voted in favour of the citizens of Ottawa upon this question. The

people who are most to be considered in the discussion before the committee are the citizens of Ottawa themselves. I understand that before the committee there were no persons present very strongly in favour of the passage of this legislation except members of the committee. In the committee of the whole House now we find that we have the two hon. members for the city of Ottawa present. One of those hon. members has spoken on behalf of the citizens in opposition to that Bill and the other hon. member has by his silence supported his contention. Therefore, we have a right to assume that the mayor and city council, representing the citizens of Ottawa, together with the two parliamentary representatives on the floor of this House are calling on the government of the day not to pass this Bill. I do not think that the government would attempt to override the opinions of the two members for Ottawa and the mayor and council and say that they understand this question very much better than the representatives of the city of Ottawa. Every man in Ottawa is interested in this Bill. As my hon. friend from East Grey (Mr. Sproule) has pointed out at this present moment they have competition in lighting in their homes and in the public places of the city. If this Bill passes the lighting service goes into the hands of one huge monopoly. While I have said that the citizens are particularly interested in this Bill every hon. gentleman in this House who comes from a municipality in any part of Canada is also interested in the principle involved in this Bill. I will be very much surprised if the government do not step in, as it is their duty to do, and say to those who are pressing this Bill in this hasty way: Whether the city council and the promoters of this Bill can agree or not, it will be our duty as the government of the day to ask them to come together again and see if they cannot come to some reasonable compromise by which the citizens of Ottawa will not for all time to come be placed in the hands of this monopoly. Whether it will be a monopoly or not it will leave the citizens of Ottawa in the hands of one company and we have instances in Canada to-day of the effect of this kind of legislation. In the great city of Toronto they have corporations which are oppressing the people and I think it is the duty of every hon. member of this House to stand up and say that in so far as parliament is concerned we will not in any wise assist any monopoly to monopolize the lighting in any city. May I be permitted to say further that the hon. the Solicitor General (Mr. Lemieux), who represented the government before the committee, stated that this was not a proper kind of legislation. We have had one member of the government who has spoken and he has spoken on behalf of the citizens of Ottawa and on behalf of the government too. Therefore we have a right to assume that the government are in favour of allowing these corporations to come together again in order that they may have an opportunity of seeing if they cannot meet each other's wishes and give to the citizens of Ottawa some kind of legislation that will enable them to get cheaper lighting in years to come.

Mr. CLARKE. I think that in the interest of all parties it would be only reasonable that this Bill should be referred back to the Private Bills Committee for further consideration. The hon. gentlemen who are representing the city of Ottawa know very well that it is opposed to public opinion. The corporation of the city of Ottawa is opposed to this legislation. It is not an unreasonable request under these circumstances to defer final action on this Bill until a meeting of the city council is held and some expression of opinion given. There is just one word more that I desire to say. I am advised that there is an express provision in the charter of the Consumers' Electric Light Company limiting the maximum price that they can charge the citizens of Ottawa for electric light. If it is the desire of both of these companies to amalgamate and come together—and I have no personal opinion about that matter as I suppose they know their own business best—it is not unreasonable to suggest that the same limitation as to price shall be enjoined on the consolidated company. That is fair. There is nothing unfair about it, and I appeal to the sense of justice of hon. gentlemen to allow this Bill to go back in order that some reasonable compromise may be reached between the parties that will be fair and just, and under which the citizens of Ottawa will not be mulcted in the future—I do not say they will—if one company gets complete possession of the lighting of this city. I ask the right hon. gentleman to agree, for the sake of harmony, to allow the Bill to go back.

Mr. HENDERSON. If you will call it nine o'clock I shall not continue the discussion, but if the discussion is to continue permit me to say that, in my opinion, no stronger case has ever been made out against a Bill which is calculated to create a monopoly than has been made out to-night against the Bill now under the consideration of the committee. The hon. member for South Simcoe made a very strong appeal to the First Minister to stay any further procedure on this Bill, and gave very cogent reasons for so doing. He stated that the right hon. gentleman (Sir Wilfrid Laurier) had years ago told us in this House that he proposed to make the city of Ottawa the Washington of the North.

Sir WILFRID LAURIER. Hear, hear.

Mr. HENDERSON. He stands by that to-day, and I think he cannot say that he

has not found the House on both sides in harmony with his desire.

Sir WILFRID LAURIER. Hear, hear.

Mr. HENDERSON. They did not offer opposition to it. We are spending in this city large sums of money for the purpose of beautifying it, and when it is proposed to place it under a monopoly in regard to its lighting and heating, I think it is time that the right hon. gentleman should call a halt. I do not want him to destroy what he has already accomplished. My hon. friend from Lincoln (Mr. Lancaster) asks me if they have trusts and monopolies of this kind in Washington. If they have I have not heard of them, but I do not for one moment presume that such legislation would be permitted in the city of Washington, and I consider that it would not reflect credit upon this House, upon the government, or upon the country, if the government, which is responsible for every bit of legislation that passes this House, no matter whether it is private legislation or a government Bill, should permit a Bill of the character of that which is now before the committee to pass and become law. I consider that the Bill will cast a very serious reflection on this House, and I may say that it would establish a precedent which the government will long regret having permitted to be established. I do appeal to the right hon. the First Minister (Sir Wilfrid Laurier), as a member of this House, not as a citizen of Ottawa, not to permit this to pass. I think the citizens of Ottawa are not being fairly treated. We have a statement put into our hands, which has been read by the hon. member for East Grey (Mr. Sproule), signed by the mayor of Ottawa and the city solicitor of Ottawa, setting forth the views of the municipal council of that city. I do not know where we could get a stronger protest against the legislation now proposed. One of the members representing Ottawa in this parliament has entered his very strong protest; the other hon. gentleman, when appealed to, has remained silent; and I am afraid we will have to construe that silence into consent, and to infer that he is not in line with the citizens of this capital city of Ottawa. I do hope that the government will intervene, and that we will not be called upon at any time to look back to this as a precedent for permitting legislation of this character. The fact that the Solicitor General, one of the right hon. gentleman's colleagues, has, as I am informed, spoken against the Bill, I think is a very strong reason why the right hon. gentleman (Sir Wilfrid Laurier) should accept the suggestion of his colleague——

Mr. SPEAKER. The hour for private Bills being exhausted, the House will resume in Committee of Supply.

Mr. HENDERSON.

SUPPLY.

House in Committee of Supply.

Quarantine—steamers for service at Grosse Isle, $30,000.

Mr. SPROULE. This is a new item for a large amount.

Hon. SYDNEY FISHER (Minister of Agriculture). We have one government steamer at Grosse Isle which is used for going out to meet incoming vessels. The service there requires two vessels, one to be used by the officers in meeting vessels for purposes of inspection and another, which is equipped with the disinfecting apparatus, so that at any time when a vessel needs to be disinfected the steamer fitted with the disinfecting apparatus may be laid up against her and perform the disinfection. This vessel also does the work of carrying people to and from quarantine, and also of conveying them from quarantine to Quebec, where we have to deliver them after their release. For some years back we have been chartering vessels for these purposes. It has been almost impossible to get a suitable vessel, and we have felt that it was necessary to procure a vessel of our own instead of being dependent on chartered vessels. This last year I was paying, and the present year I am paying no less than $4,200 for the use of a vessel for the season, and I have to pay the crew and the equipment and expenses as well. I felt that that was a bad paying business for the country. I therefore ask for a vote which will enable me to purchase a vessel and keep her and manage her for this purpose, so as to be relieved in the future of this heavy charge.

Mr. POPE. Has this vessel been ordered?

Mr. FISHER. No steps will be taken in regard to the purchase of the vessel until I am authorized by the House to do so.

Mr. POPE. Has the minister any estimate to show that this amount will be sufficient?

Mr. FISHER. It is based on the supposed value of a vessel of the character we require. I am informed that such a vessel could be built for this price.

Mr. POPE. Is it your intention to get a new boat?

Mr. FISHER. If possible, for this price or anything near this price, I would get a boat built in Canada, or purchase one that would be practically a new boat. I would not buy an old boat.

Mr. POPE. Will you ask for tenders?

Mr. FISHER. Yes, unless possibly it may be built in the government yard at Sorel. I would utilize the officers of the government for this purpose. We have in the Marine Department, experts who have been in the

habit of purchasing or securing vessels for the government.

Mr. BLAIN. Has the hon. minister made any estimate of what it would cost to equip the vessel and keep it in operation for twelve months ?

Mr. FISHER. At the present time, when we charter a vessel, we have to furnish a crew, purchase the coal and supplies, and run the vessel. I am paying $4,200 for the season.

Mr. POPE. What system have you adopted—by tender or otherwise ?

Mr. FISHER. I have searched for a suitable vessel, and I have had difficulty in finding one. Two years ago I chartered one, and after an experience of two seasons, she was condemned. A little over a year ago another vessel was chartered, and it was practically the only vessel my officers could find in the St. Lawrence that was at all suitable for this work.

Mr. T. I. THOMSON. Has the minister any vessel in view at present ?

Mr. FISHER. Not one. I do not know where I could get one.

Mr. T. I. THOMSON. It is the minister's intention, then, if he purchases one, to purchase it on the advice of the government officials ?

Mr. FISHER. Certainly.

Mr. T. I. THOMSON. All I can say is that if they do not purchase vessels with any greater success than they sell them, I think it would be much better to take the matter out of their hands. Last session I called attention to the sale of a splendid steamer, the Bayfield, which had been engaged in the survey of the Georgian bay, for $3,250. If the policy of the government is to purchase vessels on the same principle on which they sell them, it would be far better to place the business in the hands of anybody but the government officials. In view of our experience of the past, I think it would be well to have full information before we pass this item.

Mr. FISHER. I cannot give more information than I have already stated. I must make use of the government officers for such work. I have not in my department any expert upon vessels. The Department of Marine and Fisheries has amongst its officers men whose judgment is used by the government for this purpose. I confess that I am in ignorance of the details of what the hon. gentleman is alluding to, as it is not in my department ; consequently I cannot give any answer in regard to that. But just as in a matter of law I would consult the department of justice, so in a matter of purchasing vessels, I would secure the best information I could from the Department of Marine which is charged with such matters.

Mr. T. I. THOMSON. The case to which I refer is one in which the government official valued the vessel at $8,000 and the minister sold it for $3,250. So that the advice of the officer was of little avail.

Mr. FISHER. I can assure the hon. gentleman that I would try to follow the advice which the expert would give me.

Mr. ARMAND LAVERGNE. Will the vessel be commanded by the same officer who commands the vessel at present ?

Mr. FISHER. The vessel will be under the command of the officer at Grosse Isle, whoever he is.

Mr. HENDERSON. It occurs to me that possibly the hon. the Minister of Agriculture has not in his department men who may be regarded as experts in marine matters. It seems a strange combination that a farmer should be called upon to purchase a vessel. To my mind, instead of the hon. gentleman undertaking the purchase of a vessel through the officers of his department, it would be better to hand it over to some other department where there are men experienced in marine matters, and let them furnish the vessel for the hon. gentleman. I am aware that the hon. gentleman's deputy is a lawyer, and consequently would not be able to give an opinion on a vessel any more than he would on matters of agriculture. I do not think the hon. minister is going about this matter in the right way.

Mr. FISHER. My hon. friend has not been listening to what I said. I said a few minutes ago that I had not in my department experts on such matters, and that just as I would consult the Department of Justice on a legal question, so I will consult the Department of Marine in regard to the purchase or building a vessel. The vote is in my estimates simply because it is a vote for the administration of my department. I have already got vessels there. When I chartered the vessels which I have at present, I took the opinion of an officer of the Marine Department as to her fitness, her seaworthiness, and her condition. All that my officers were able to say was what they needed, then the expert had to decide whether such and such a vessel was fitted for the work. So it will be in this case.

Mr. HENDERSON. I must apologize to the hon. minister. I confess I did not hear him make the statement, but am glad to know that for once he and I are of the same mind.

Mr. BLAIN. Do I understand the hon. gentleman to say that the outside charge on the country for performing the service last year was $4,000 ?

Mr. FISHER. I said that $4,200 was the price paid for the charter of the vessel.

Mr. BLAIN. How much for equipping and running it during the twelve months?

Mr. FISHER. There are two boats at Grosse Isle quarantine station—one belonging to the government and this other one which is chartered. We have a crew which is able to run the two boats. Sometimes one boat is lying at the wharf and sometimes they are both out together, and we have sufficient crew to take both out at the same time. The crews work interchangeably just as the exigencies of the work require. There is a captain and a first mate. When both vessels are out, the one takes charge of the one and the other of the other. It would be rather difficult to say actually how much each costs. The difference between the new and the old conditions would be simply the difference between the charter price and the interest on the cost of the new vessel and the wear and tear. We have our own disinfecting apparatus, which we will put on the new vessel when we get it built.

Mr. BLAIN. My hon. friend has stated that the cost of the new boat will be approximately $30,000. What the committee is entitled to is a statement as to what it will cost to equip and run a new vessel during twelve months.

Mr. FISHER. I am afraid it would be very difficult to give that. Take for instance, the engineers, there is a staff of engineers at Grosse Isle. They are all marine engineers. That is to say, they can work an engine on a boat. They not only run the engines of these two boats but also the engines on shore, which does the work of the station. There are a chief engineer and three assistants, and a certain number of stokers and deck hands who work all around. I would have to add up the wages of these and establish what amount should be charged to each boat before I could give an answer.

Mr. BLAIN. My hon. friend is making a complete change of policy. The policy in the past has been to charter a vessel, but he now asks the committee to vote $30,000 to purchase one. He is unable to give the committee the probable cost of equipping and running the new vessel for twelve months. Is this a step in the direction of economy and to what extent is it such a step?

Mr. FISHER. To this extent. We paid last year $4,200, the same as this year, to charter a vessel. The interest on $30,000 would be probably three per cent. Then there is an allowance for wear and tear which, not being an expert, I cannot estimate.

Mr. EARLE. Ten per cent.

Mr. FISHER. That would be again $3,000, making a total of $3,900 for wear and tear and interest as against $4,200 rent. Otherwise the service is just the same. In addition we will have the advantage of having just such a vessel as we need, always on hand.

Mr. BLAIN.

Mr. POPE. It is peculiar that not only on this but on other occasions, the hon. minister lays down a proposition and then when we ask for information, we find he has not studied the question sufficiently to give us the information and advice we are entitled to from one who asks for a lot of money. We had that difficulty last night, and I was in hopes we would not have it again. The hon. gentleman says the purchase of this boat is in the direction of economy, but when asked what it will cost for her maintenance from year to year—not to run her or to furnish her with supplies—but her maintenance, he says he does not know. If he does not, he is not justified in saying that this new policy is in the direction of economy. If he were to tell us that the boat was absolutely essential, no matter what it cost, that this government should own another boat, that would be another question, but the only reason he gives is that it is in the interests of economy, and he has taken so little trouble to ascertain the facts that he admits his inability to state what the annual wear and tear would cost. He should have had his statement carefully prepared so that he could have shown us what the figures were, which warrant the purchase of this boat, but the only practical information we got was from the hon. member for Victoria (Mr. Earle) who said that the wear and tear would cost ten per cent. Take the life of a steamer during ten years and you have a cost at the outset of $30,000 for the purchase of the boat and then $30,000 for wear and tear, amounting to $60,000. This is an important question, and I think hon. members are entitled to information which would enable them to determine whether there was economy in this purchase or not.

Mr. T. I. THOMSON. Has the minister any idea, what the dimensions of the vessels are that he proposes to acquire for this service ?

Mr. FISHER. The estimate is based on the cost of a vessel the length of which—speaking from memory—would be 110 feet and the width 25 or 26 feet with a depth sufficient for proper stability in a rough sea such as we have at Grosse Isle.

Mr. T. I. THOMSON. If a vessel is required, I believe it is better that the government should have one of their own, and a good one at that. But whether that would be in the interest of economy or not, I have no means of judging. I notice, however, that the 'Constance,' which is employed in the fishery service costs for maintenance $23,341. She was built in Canada, at Owen Sound and she is a first-class ship.

Mr. FISHER. What does the hon. gentleman include under 'maintenance ?'

Mr. T. I. THOMSON. That is what it cost for staff and for all that is required for the vessel during the season.

Mr. BLAIN. I suppose the hon. gentleman could tell us the estimated life of a vessel such as he proposes to acquire.

Mr. FISHER. Speaking in general terms I should expect that if a fair allowance, say ten per cent were made for keeping the vessel in a good state of repair her life would be prolonged ; that at the end of ten or fifteen years, she would be practically as good as when put in commission. If her life were relatively short, it would be because this ten per cent was not expended on her.

Mr. T. I. THOMSON. The 'Constance,' the 'Curlew,' and the 'Petrel' were all built at Owen Sound thirteen years ago, and they are all as sea-worthy and as fine vessels to-day as they were when they left the dock.

Mr. BLAIN. The minister says the life of the vessel would be ten years——

Mr. FISHER. I made no such statement.

Mr. BLAIN. I thought I was giving what the minister had said.

Mr. FISHER. If the hon. gentleman had been listening to my explanation, instead of speaking to some one else, he would have understood better, I said that if $3,000 a year or ten per cent of the original cost were allowed for keeping the vessel in repair her life would be extremely prolonged.

Mr. BLAIN. The hon. minister surely would not say that that is a fair explanation. He must admit that my question was a reasonable one. He proposes to spend $30,000 on a vessel and, when asked what her life is expected to be, he says it may be a prolonged life. Does that mean twenty-five years or fifty years ?

Mr. FISHER. The 'Challenger' has been running for seventeen years and she is, apparently as good as she was the day she was launched. She has been kept in repair, the timbers, &c., in her being renewed from time to time as was found necessary. And I think that any vessel kept in that way would be as good at the end of twenty-five years, practically, as she was at the beginning. Of course, if she were allowed to get into bad order, it would be because the ten per cent for repairs had not been spent on her. So, I give what seems a fair charge for the maintenance of the vessel—and, in that, of course, I include nothing for crew or anything of that kind, but simply the maintenance of the capital account of the vessel.

Mr. BLAIN. I suppose we must accept that. The hon. minister will not be afraid to meet that statement in days to come, for he can get on any side of it.

Mr. FISHER. If I have to buy another vessel in twenty-five years I shall be open to criticism.

Mr. BLAIN. The hon. gentleman need not worry about that. We will not leave him the chance.

Mr. FISHER. I do not want it.

Mr. BLAIN. I think it would be in the interest of the country that a new vessel should be purchased rather than an old one. The suggestion of the hon. member for West Toronto (Mr. Osler) in that respect is a good one. The hon. member for North Grey (Mr. T. I. Thomson) has told us how the government deal in old vessels, and we are not altogether satisfied with that. Perhaps the hon. minister will give us the assurance that he will purchase a new vessel and that it shall be constructed in Canada.

Mr. FISHER. The vessel will be purchased or constructed in Canada, if the proper vessel can be found in Canada, or if tenders can be got from Canadian builders. I will not go abroad for a vessel unless absolutely forced to do so.

Mr. OSLER. I think it is proper that a vessel should be owned by the government for this service. But I think that a vessel should not be purchased. There are many vessels all over the lakes that are not quite up to modern ideas or that are worn out, yet that are quite presentable and might be foisted upon the government by political friends. The minister shakes his head, but he is human as I am.

Mr. FISHER. Quite.

Mr. OSLER. The government can get a new vessel constructed in Canada nearly if not quite as cheaply as it can be built anywhere else. Our fleets on Lake Superior have been built at our own ports by Canadian labour and they are the best vessels on the lakes to-day. And I am Canadian enough to say that, even if it costs a thousand or two more the government should get the vessel built in Canada by our own labourers rather than go outside. But when the government are proposing an expenditure like this, which, speaking for myself, I regard as a proper expenditure, I think they ought to have a new vessel and not run any risks involved in buying an old one, no matter how favourable the conditions may apparently be. It should be a modern vessel, built for the purpose proposed, and built in Canada.

Mr. FISHER. I am ready to say that I will secure a new vessel. It may be that the vessel will be purchased, one that is a year or two old, but I can assure my hon. friend that I will not purchase any old vessel for this work. If I cannot find a suitable vessel that is not more than a year or two old, and perfectly sound in every respect, I shall certainly give instructions for the building of a new vessel for this service, and I shall exhaust all efforts to get it constructed in Canada.

Mr. OSLER. I do not think the minister can purchase an old second-hand vessel for the particular purpose he has in view, that will be as suitable as a new vessel would be, he cannot buy an old vessel that will answer the purpose.

Mr. FISHER. That is quite possible.

Mr. T. I. THOMSON. I think myself it is desirable we should get a new vessel for this purpose. I am also satisfied it should be a vessel constructed in Canada. Tenders should be asked for a vessel to be built in Canada. Then we will have a good vessel and one that will be worthy the government. I think if the minister would assure us that he will have a new vessel constructed in steel and constructed in Canada, he will meet with the entire approval of the committee.

Mr. POPE. I think the minister ought to give us that assurance, that it will be a Canadian built boat. We have our own ship yards, for instance at Sorel. I hope the minister will give us that assurance.

Mr. FISHER. I think the assurance I have given practically amounts to that.

Quarantine, steamer for service at Victoria, B.C., $20,000.

Mr. EARLE. Would the minister give us some explanation.

Mr. FISHER. My hon. friend from Victoria (Mr. Earle) knows very well that the vessel now in use there is an old vessel, and has been the subject of a good deal of repairing for several years back. I do not think it will pay to go on repairing her. I am satisfied from the reports I have received from the representatives of the Department of Marine and Fisheries and from the officer of this department, that she is too old to be worth repairing much longer. I therefore ask for a sum of money to purchase a new steamer which will be suitable for the work there—to build or purchase one, as the case may be. I do not think there is any steamer in British Columbia that we can purchase for this service, and if so, we shall have to make arrangements for building one in those waters.

Mr. T. I. THOMSON. Will it be a steel vessel or a wooden vessel ?

Mr. FISHER. I will act on the advice of those who are familiar with the conditions as to whether it shall be a wooden or a steel vessel. I am not prepared myself to give an opinion on that point. I do not know whether there are facilities in British Columbia for building a steel vessel, at the same time, I think such a vessel ought to be built in British Columbia. A vessel of this kind could not easily be taken around the Horn. I would like to see her built in British Columbia, but I will leave it to those who are experts in such matters to decide as to the character of the vessel. I may say this to my hon. friend from Victoria, that when I put $20,000 in the estimates I thought it would be sufficient to obtain such a vessel as is needed there ; but since these estimates were prepared, representations have been made to me by my officers at that station that a larger vessel would be required, one that it would not be possible to purchase for $20,000, and suggesting that this item be largely increased. On these representations I think it is quite likely that I should ask for a larger sum in the supplementary estimates. The service there requires a very staunch vessel. Frequently she has to go out in very stormy weather to meet ships, and the passage from Victoria is exposed to heavy winds. The suggestion is made that a vessel fully suitable for that work cannot be obtained for $20,000 on the British Columbia coast. If that is the case, I should have to ask for a supplementary estimate ; but in the meantime I ask that this item be granted to me, and I assure the committee that I will carefully look into the matter and get the best advice I can from ship building experts as to what the cost of such a vessel is likely to be.

Mr. EARLE. I quite agree with the minister in his remarks about the old steamer that has been in use at the quarantine station at Victoria. I think I am safe in saying that at the present time the government have spent upon her four or five times her original cost. She has never been thoroughly fitted for that service.

Mr. FISHER. She was on the service when I came into office.

Mr. EARLE. Quite so. I may explain that she was bought under peculiar circumstances, at a time when she was the only boat that could be procured in order to introduce the system they have now of fumigating and so forth. I am quite satisfied that $20,000 is not sufficient to procure such a boat as is required. But independently of that service, I may mention another to which it could be put. The hon. gentleman is aware of the terrible calamity that occurred in the harbour of Victoria a few months ago by which 50 or 60 lives were lost. It was claimed by the citizens of Victoria that had a proper vessel been available to go to their assistance every life might have been saved. It has been suggested to the Marine and Fisheries Department that in building a boat for the quarantine service, she should be fitted up with life-saving apparatus so that she might be utilized in case of need for that purpose. A society has been organized there now for the purpose of establishing a life-saving station, and it has been suggested I think, to the Marine Department, by my colleague (Mr. Riley) and also I think by Senator Templeman, that with a somewhat greater expense the steamer doing quarantine service might be made available for the purpose of saving life in any accident that might occur in the immediate neighbourhood. As I understand it,

the quarantine steamer is always under steam ; if not, it could be kept continuously under steam at very little cost, and would always be available in case of accidents occurring upon the coast. I would suggest to the hon. gentleman that he consult with the Minister of Marine and Fisheries with a view to co-operating in securing a boat that would serve as a life-saving boat as well as doing the quarantine service.

Mr. FISHER. I may say to my hon. friend that the proposition which he has just made has not been made to me. I suppose it must have been made to the hon. Minister of Marine and Fisheries.

Mr. EARLE. I had supposed that it had been made to the hon. Minister of Agriculture, but I presume I was mistaken. Undoubtedly it has been made to the government.

Mr. FISHER. I would be very glad indeed to consult with my colleague about the matter, and I think it would be quite within the possibilities to manage the service of a quarantine boat at Williams Head in such a way that she would be available, as my hon. friend suggests, for any emergency in the way of a wreck or anything of that kind. The quarantine service to-day is pretty exacting. The vessel has to keep up steam all the time, but at the same time in an emergency I think she might be spared for the quarantine station for a few hours or half a day to give assistance to vessels in distress without interfering with her work in connection with quarantine. It may be more expensive to get such a vessel as the hon. gentleman speaks of, but I have no doubt it will be quite admissible, and while it may not be correctly or properly charged to the quarantine service, still, in the interest of humanity and of the people generally, I think it would be quite justifiable to increase the expenditure, and I should be very glad to consider it carefully. For such a purpose I would have to get a larger vote than the ordinary quarantine service calls for, but such an increased expenditure might be well entered upon.

Mr. BLAIN. My hon. friend has made the statement that he proposes to ask for a supplementary estimate.

Mr. FISHER. I said 'probably.'

Mr. BLAIN. The item we are discussing now is :

Steamer for service at Victoria, B.C., $20,000.

My hon. friend has in the service at the present moment an old vessel on which there has been expended a considerable amount of money during his term of office.

Mr. FISHER. And before.

Mr. BLAIN. And my hon. friend says that something was spent before he came into office. That may be true, and I suppose it is. The point I wish to object to is that members on this side of the House during the past two or three years have been making constant complaint against the government because of this kind of a policy. Ministers come forward with an estimate and ask the committee to vote a certain amount. In this case it is $20,000, and even while the committee is considering the question, even before the amount is voted, the hon. Minister of Agriculture stands up in his place and says that it will not be sufficient. He says that he will have to ask for a supplementary estimate to be added to this. Does my hon. friend think that is a fair policy ?

Mr. FISHER. I think that is very honest.

Mr. BLAIN. My hon. friend thinks it is a very honest policy. I rather disagree with him on that point. I think it would be a still better policy for the hon. gentleman to enter into a consideration of this question before he brings down his estimates at all, to make a thorough and complete examination into the whole matter and bring down to the committee a report showing that the old vessel is insufficient for the service, and then make a statement to the committee as to how much we are likely to get for her if she is sold. What does my hon. friend say ?

Mr. FISHER. I was wondering how much.

Mr SPROULE. If the same method of selling the vessel is adopted as that which was adopted at Owen Sound, it will not be much.

Mr. BLAIN. We have been dealing in old vessels before, and the results have been rather unsatisfactory to the House, but we will not charge the hon. minister with that just now. I enter my protest against this kind of a policy. It is the duty of the hon. minister to bring down a fair statement of the amount that is required for this service. The hon. minister asks for $20,000, and while he is asking for it he makes a further statement that it will be insufficient and that he will have to ask for a supplementary estimate. That is not a business proposition, and coming from what was regarded once as a business government, we are not quite willing to accept that kind of a policy. I think the hon. gentleman should ask that this item stand and bring down at some future date a fair statement of the amount which will be sufficient to complete this work, and not ask us to vote $20,000 now and in a week or two, or a few weeks, come forward and ask for $20,000 more. I am quite sure that the hon. gentleman does not think this is a business policy, and I am surprised that the hon. gentleman would attempt to introduce into his department a policy that the opposition have been complaining of and which has been very gen-

erally adopted in other departments of this government.

Mr. FISHER. I appreciate the compliment paid me by the hon. gentleman when he says that this has not been the policy of my department, and I can assure him that he has not found me out to-day in this either. When I put in the item of $20,000, I based the estimate on procuring a vessel of about the same class and character as the vessel that we now have, which, if she were a new vessel, or in first rate order, would be very nearly able to do the work. I believed, from the information I received, that with $20,000 I would be able to secure such a vessel as that. I have since had representations from my officer there asking for a larger vessel. My hon. friend from Victoria (Mr. Earle) has suggested here to-night another scheme which would require a still larger vessel and a still greater expenditure. When such a matter as this has to be discussed and decided upon, and when the whole question has to be considered, including the suggestion of my hon. friend from Victoria, it would be quite impossible for me at this date, but perhaps within a few weeks, and I hope the session will be over by that time, I shall be able to get an item prepared which will definitely and clearly show to the House exactly, and even approximately, what such a vessel would cost. I think my hon. friend will justify me in having supposed, when these items were brought in, as they were some three months ago now, that this was sufficient, and I expected it to be sufficient. I have now found that from the requests which have been made to me for something more than that which was made to me before from Victoria—requests which I did not have before me when these estimates were made—that I will require something more, and therefore it is that I expect, as I stated to my hon. friend a little while ago, that, while I expected to do with this sum of $20,000 when I prepared these estimates, because of the information and requests that have reached me since, which in fact seem to be so reasonable that I will have to accede to them, I will have to ask for a supplementary vote to enable me to get a larger steamer. I think that is very honest and perfectly clear, and I do not think it justifies the reflection which the hon. gentleman has cast on the preparation of my estimates.

Mr. BLAIN. That is an explanation which I think is not at all satisfactory to the committee. The hon. gentleman says that he proposes to purchase a new vessel in the west, a vessel to do work in and around Victoria and Vancouver.

Mr. FISHER. No; Victoria alone.

Mr. BLAIN. Victoria alone. Well, in the quarantine district. I suppose my hon. friend would not dare to say that he is proposing to purchase this vessel upon his own information without consulting the representatives in Victoria city?

Mr. FISHER. I do not remember that I consulted the representatives of Victoria city.

Mr. BLAIN. I mean the representatives of the government in the west who have brought these further requests to the attention of the government.

Mr. FISHER. I intended to purchase this vessel upon facts which I knew, and which I did not require any representatives to tell me. I know that the 'Earle,' the vessel there now in the service, is no longer fit for her work, and that she must be replaced as soon as possible. On that ground alone, simply as a matter of administration in my department, finding a vessel which was used a great deal and which cost a great deal for repairs and was no longer worth repairing, the estimate was prepared. That information was at my command, and other requests in regard to further and larger vessels had not been received when these estimates were prepared.

Mr. BLAIN. That simply emphasizes the weakness of the policy adopted by the hon. gentleman. He has stated that without consultation with the representatives of the government in the west, he has put in an item of $20,000 for the purchase of a vessel. As soon as that item is put in the estimates a further request comes from the officers in the west whom he should have consulted and from whom he should have obtained full information before putting the item in at all. Now my hon. friend says that after the $20,000 have been placed in the estimates a request comes from the district where the vessel is to be used. The hon. gentleman should have received these representations before he attempted to deal with the matter at all. He should have consulted these people and should have had full information before the item was put in. Then the hon. gentleman would have been able to put in an amount that would cover the total cost and the committee would be satisfied. I am sure he will see that his explanation rather weakens his case.

Mr. EARLE. I would say to the minister that before he brings down his supplementary estimates, I trust he will consult the Minister of Marine and Fisheries (Mr. Préfontaine) with regard to the matter I brought up.

Mr. FISHER. Certainly.

Mr. EARLE. I am entirely satisfied that $20,000 would not build a boat able to do the quarantine work. In the instance I speak of, all of these lives were sacrificed because there was no boat there able to go out. The 'Earle' was called for but they

declined to send her out as she was utterly unfit for such a sea and the people were drowned right in sight of land because of the want of a boat fit to go out in storms such as we sometimes have there. A good boat is required.

Mr. FISHER. My hon. friend knows that that disaster occurred since these estimates were prepared.

Mr. PORTER. I was not aware that we had a boat to dispose of in the west. Two vessels have been disposed of by the government in the town in which I live and in both cases they have been sold for very much less than what the officer of the government said they were worth. The last of these steamers was sold for very much less than one-half what the officer of the government said it was worth. The officer estimated its value at $8,000 but it was sold by private sale for $3,250. I do not think any one in the business was aware that the vessel was for sale. A notice in one of the local papers costing a dollar would have brought $6,000 or $7,000 for the boat. I have been talking to some captains and they said they would have given $5,000 for the hull. This boat was sold by the government at private sale, without tender or notice for $3,250. I hope the Minister of Agriculture will not repeat that.

Mr. FISHER. We do better in the west.

Mr. PORTER. I would like to know if he will endeavour to get as much for the vessel as possible, to get its value any way,

Mr. FISHER. I will.

Mr. PORTER. It will not be sold in a secret manner?

Mr. FISHER. I will assure the hon. gentleman it will not be sold in any secret manner.

Mr. SPROULE. I regard this as a very loose manner of voting money. It is not a proper discharge of duty by a minister of the Crown. The duty of the minister as I understand it, in voting money for any purpose, especially for a new undertaking is to submit to the House a well prepared estimate of what the country is being committed to, and will be expected to pay in the aggregate. We are asked here for $20,000 to commence the building of a vessel, but we do not know whether it will cost $30,000 or $1,000,000 in fact we have no information at all. We have so often in this House committed ourselves to undertakings that turned out entirely different to what the government anticipated they would that it makes us rather chary in voting such an item to-night. The government must have known through its officers that this vote is needed, and the lack of information shows disregard of that courtesy with which parliament should be treated. I think the vessel should be built either in British Columbia or down here and preferably by our own men.

Mr. FISHER. It will have to be built there, it could not be taken out.

Mr. EARLE. I think they can build a vessel there. They have just completed one there for the Admiralty which is very satisfactory.

Mr. POPE. Have they a ship-building yard there?

Mr. EARLE. Yes.

Mr. POPE. I do not see why we should not have an assurance that the boat will be built in Canada.

Mr. FISHER. It will be built in British Columbia.

Cattle quarantines and veterinary division, $100,000.

Mr. FISHER. This is the usual quarantine vote, the same as we had last current year and I hope the service will be carried out in just the same method as for the last year. The work has been onerous, but I think on the whole extremely successful. Difficulties have arisen and are constantly arising but by the energy of the officer and by the skill and knowledge of our inside staff on the whole I may congratulate the committee that the health of the animals is better than it is in most countries. This fact is largely due to the measures of prevention and sanitation which our officers have been able to carry out. The work is two-fold in its character: first, the prevention of the importation of disease into our animals from outside the country, and secondly, the looking after, along certain lines and in certain ways, the health and sanitation of our domestic live stock.

Mr. GILMOUR. I suppose this quarantine applies all along the line from coast to coast but more particularly the line out in the Territories?

Mr. FISHER. In the Territories, yes.

Mr. GILMOUR. Last session I called the minister's attention to the danger of Texas fever being introduced into our country. He then said it was not likely to happen; but I think he is now well aware of the danger, from the report of Dr. Rutherford, who has made a thorough investigation into that matter, and who has very ably set forth the result in his report. He states that during the year 24,253 cattle have been imported into Canada from the Texas fever district. As the minister is no doubt acquainted with the report, I will not read it all, but only a small portion of it. Dr. Rutherford says:

Owing to our rigorous winter climate there is no danger of Texas fever obtaining a permanent foothold in the Dominion, but it is

within the range of possibility that tick infested cattle entering the country during the summer months might be the means of introducing the disease, and of causing considerable loss before the first frost put a stop to its ravages.

He also states that several officers on the line and others south of the line tell how difficult it is to have these cattle properly inspected. Even after inspection, they may in a short time turn out to be affected with the Texas fever tick. He also cites Dr. Salmon to the effect that animals coming in have been found to be affected, and that a carload was known to have gone into Canada and was there at the date of his report, in October, 1903. After setting forth the dangers, Dr. Rutherford says :

I propose to make a further investigation of the whole subject during the coming winter, and hope to be in a position to recommend a definite policy before the trade recommences next spring.

I would ask the minister if he has fully considered the subject, and if he is prepared, the season is now on when these cattle will be coming in, to state what he has done to meet this danger to our cattle, not only in the west, but all over the country.

Mr. FISHER. I am glad to be able to inform my hon. friend that Dr. Rutherford has been able to carry out his intention as expressed in his report. He has made the necessary investigation, and has promulgated regulations covering the point alluded to. These regulations were issued in March last, and deal with the importations from Mexico. These cattle are first of all carefully inspected at the United States frontier by the United States authorities. They then come through the United States in bond, and are again inspected by our inspectors. Section 54 of these regulations says :

Any person contemplating the importation of animals from Mexico, must, in addition to all other requirements of this order, first obtain from the minister a permit stating the number and kind of animals to be imported, the district and state in Mexico whence they are to be shipped, and the probable date of their arrival at the Canadian port of entry. The person applying for such permit shall furnish satisfactory proof of the facts hereinbefore set forth.

Then, section 55 provides :

Animals passing in bond through United States territory for importation to Canada must be accompanied by a certificate of health signed by a veterinarian of the United States Bureau of Animal Industry and by an affidavit from the owner or importer that the said certificate refers to the animals in question. Such animals shall nevertheless be subject to inspection and if necessary to detention before being permitted to enter Canadian territory. If found diseased such animals are to be subject to and dealt with according to the orders of the inspecting officer under instructions from the Veterinary Director General. The expense of treatment, should such be deemed advisable, must be borne by the owner or importer of the animals treated.

We consider that this regulation will completely cover the cases referred to by my hon. friend. My hon. friend spoke of some animals having come in last year. There was an importation, but we held the animals on the borders of Canada and quarantined them for the necessary time before they were liberated. The result of that has been satisfactory, because there has been no suggestion that they brought in any disease. They came through after inspection by the American authorities. The details of the importation are contained in the report. We were notified by the Washington authorities of their coming, and we held them because of the uncertainty of the matter at that time. The regulations which I have just read had not been promulgated, and we could not act upon them ; but we took the steps we did under the general regulations to guard against these animals bringing disease into the country.

Mr. GILMOUR. At how many points can animals come into the country ?

Mr. FISHER. We have adopted a new plan all along the frontier, providing that animals shall be allowed to come in only at certain ports, and at each of these ports we have an inspector :

The following customs ports are hereby declared to be animals' quarantine stations, and all animals imported into Canada subject to quarantine must be entered through said stations, viz.:—Halifax, N.S., St. John, N.B., Charlottetown, P.E.I., Quebec, Sherbrooke and St. Johns, Que.; Niagara Falls, Windsor and Sarnia, Ont.; Emerson, Man.; North Portal, Wood Mountain, Pendant d'Oreille, Coutts and Cardston, N.W.T.; Gateway, Rossland, Nelson, Grand Forks, Vancouver and Victoria, B.C.

Mr. GILMOUR. Are there sufficient yards to detain them properly ?

Mr. FISHER. We are having these provided as rapidly as possible,

Mr. W. J. ROCHE. Are these the only points at which officers are stationed ?

Mr. FISHER. We have other inspectors ; but these are the only ports at which animals subject to quarantine are allowed to come in.

Mr. W. J. ROCHE. Have you many of those other inspectors ? Are they stationed at certain points on salaries at so much per month and at what points ?

Mr. FISHER. We have a number of inspection points as well as quarantine station points. Animals subject to inpsection only but not to quarantine may enter at the following ports. There is a long list here :

Pictou, North Sydney and Yarmouth, N.S.; St. Stephens, Woodstock and McAdam Junction, N.B.; Comin's Mills, Lake Megantic, Coaticook, Stanstead Junction, Mansonville, Abercorn, St. Armand, Rouses Point, Athelstan and Dundee, Que.; Cornwall, Prescott, Brockville, Toronto, Bridgeburg, Sault Ste. Marie and Port Arthur, Ont.; Gretna, Morden, Mowbray, Crystal City, Killarney, Deloraine, Melita and Winnipeg, Man.; Rykerts, Waneta, Midway, Sidley, Sumas, New Westminster, Douglas and Nanaimo, B.C.

Mr. W. J. ROCHE. You have inspectors at all these ?

Mr. FISHER. No, not resident there, but those are the points of inspection where we can have the cattle inspected any time they come in.

Mr. W. J. ROCHE. Are the physicians paid by fees ?

Mr. FISHER. Yes.

Mr. GILMOUR. Are the veterinaries under the minister's charge or under the charge of the mounted police ?

Mr. FISHER. The work in the Territories is done by the veterinaries of the mounted police almost wholly. Sometimes we have to employ civilians, when there is too much work, but the police do practically all the work. The prestige of the police and their acquaintance with the country enables them to do the work very satisfactorily.

Mr. GILMOUR. I am pleased to see steps taken to have these incoming cattle subjected to strict inspection. I think even more stringent means should be adopted to safeguard the interests of the people of the Northwest. It must be borne in mind that although 23,000 head of cattle come in, they come in for the benefit of a very few people, and the interests of the great majority are opposed to their admission.

Mr. POPE. How is it these regulations have just been published ?

Mr. FISHER. They were issued in March under Order in Council.

Mr. POPE. Why were they not issued under Order in Council in March a year ago ?

Mr. FISHER. Because we had not the information necessary and the new Act was only passed last session on which these regulations are founded.

Mr. POPE. But you had the Disease and Cattle Act, which is pretty much the same thing.

Mr. FISHER. We had regulations then.

Mr. POPE. I understood the hon. minister to say that the yards were being built as rapidly as possible for the accommodation of these cattle.

Mr. FISHER. Yes, because the regulations require that the animals should only come in at those points and these were only issued in March. We could not make the regulations until we had studied out the work and conditions.

Mr. POPE. Do I understand that under the old Act you had no power to make these regulations ?

Mr. FISHER. Yes, but we did not require to do it at that time. We have worked out new regulations entirely. The trade only came up last year from Mexico.

Mr. POPE. There were cattle imported from Mexico before last year. We discussed this question last year somewhat and the danger was then pointed out. I congratulate the department upon having at last taken action in the matter and the medical officer on the new departure he has taken ?

Mr. W. J. ROCHE. Do I understand that there was practically little or no disease produced by the cattle imported from Mexico and the other side into the Territories ?

Mr. FISHER. There was no outbreak of disease that we know anything of among the cattle imported from the other side of the line.

Mr. W. J. ROCHE. Can the hon. gentleman say as much with regard to the horses?

Mr. FISHER. Not with the same certainty, because there is some discussion with regard to them in the Territories at present.

Mr. POPE. They had some severe criticisms of that importation there with regard to mange and other disease.

Mr. HACKETT. What quantity of cattle was quarantined at Charlottetown last year ?

Mr. FISHER. From the report of the officer there appears to have been none. There was one standard brood mare and six Suffolk sheep imported from the United States.

Mr. HACKETT. What officer has charge of the service ?

Mr. FISHER. Dr. Leckie.

Mr. HACKETT. I see by the Auditor General's Report that he was paid during twelve months at $12.50 a month. What has he been doing during those twelve months ?

Mr. FISHER. My hon. friend must not forget that in addition to the importations there are exports which have to be passed upon by the officer in charge. There were 57 horses, 1,131 cattle, 3,659 sheep and 64 swine exported from Charlottetown, all of

which had to pass under his inspection. My hon. friend would be one of the first to complain if we did not have a quarantine officer at Charlottetown.

Mr. HACKETT. I would like to ask what has been paid to Mr. Pethick ?

Mr. FISHER. Dr. Pethick has been the general officer of the department for Prince Edward Island and has done a great deal of work also in Nova Scotia and elsewhere. These items are for expenses, and, in addition he has a salary of $700 a year which does not seem to be included in this particular item in the Auditor General's Report. Dr. Pethick does a great deal of travelling on the Island and in Nova Scotia, and sometimes in New Brunswick and Quebec. He is on the regular staff and does whatever the department may require, wherever he may be sent, though he resides in Prince Edward Island and he would be first called upon for work in that province.

Mr. HACKETT. Dr. Pethick, according to this item, employed a French interpreter at $1.50 a day for eleven days. What was that interpreter required for ?

Mr. FISHER. I am informed that Dr. Pethick was sent to the Gaspé coast, in Quebec, because of an outbreak of hog cholera. The people there are French and I suppose the interpreter was needed.

Mr. HACKETT. But why should that be charged against Prince Edward Island ?

Mr. FISHER. It appears in the Prince Edward Island items because Dr. Pethick's residence is in Prince Edward Island.

Mr. HACKETT. So, the minister charges against Prince Edward Island and expenses incurred by this officer anywhere in the service of the government ?

Mr. FISHER. I do not know that it matters very much. I have given the reason why it appears under the heading of Prince Edward Island.

Mr. HACKETT. I was amazed to see this item in the Auditor General's Report, because there is no necessity for a French interpreter in Prince Edward Island. People there can speak the English language. I think it a mistake to have made in our accounts a charge for a French interpreter, making it appear that an interpreter is necessary in the communications between Dr. Pethick and the people of that province.

Mr. FISHER. I am glad the explanation has come out.

Mr. W. J. ROCHE. I do not wish at this late hour to open the discussion as to the importation of horses, which has been up on previous occasions ; but I would like to find out from the minister if the government have decided to acquiese in the request of the Horse-breeders' Association and those interested in horse breeding in the Northwest to raise the minimum valuation for horses imported from the United States. The hon. minister does not wish to discuss the tariff, nor do I, but I think that on this item some explanation will be given. I see by the report that upwards of 32,000 horses, many of them inferior horses, no doubt, were imported from the United States during the last fiscal year into the Northwest Territories. I am led to believe that many of these are smuggled, in fact I understand the reports of the officials of the government have been to that effect, and I understand that this smuggling is made all the easier because there is no penalty except a fine—no confiscation or anything like that ; the smugglers can pay their fine and away. Many of these animals are imported at a low figure—$15 per head and so on, and the number coming in from the United States is out of all proportion to the number going over from our side. The Horse-breeders' Association, in convention assembled have condemned the policy existing at the present time. I understand that deputations have interviewed the government and that resolutions have been passed by several of the live-stock associations. And I think it is too bad that the efforts of those who are anxious to improve our stock by the importation of high-priced thoroughbred animals from the old country and from eastern Canada should be made nugatory by the importation of low grade and diseased animals—for many of these, I am sure are diseased—not only during the last fiscal year but for many years past. I would like to find out from the minister if he has decided to respond to the sentiment which is growing in that country against such a policy and in favour of a higher valuation on these animals imported into our Northwest.

Mr. FISHER. My hon. friend (Mr. W. J. Roche) would not ask me to anticipate the information that my colleague the Minister of Finance will give to the House, I hope, on next Tuesday, when he brings down his Budget.

Mr. W. J. ROCHE. This is not a question of tariff but of valuation.

Mr. FISHER. Being a question of valuation, it is a question of tariff. The Customs law regulates the tariff and the valuation and only by changing that law can we effect the change that the hon. gentleman suggests. So far as the importation of diseased animals is concerned, that comes within my department. Regulations have just been issued and I will see to it that the hon. gentleman gets a copy immediately—the reading of which will explain more fully what is being done than anything I could say within the compass of a few words.

Mr. GILMOUR. Is it not a fact that they come in at all points, driven in in droves, and not by railway only?

Mr. FISHER. Our regulations will provide for that.

Mr. GILMOUR. But I wish to state that they do come in in droves, being driven over the boundary line and on up as far as Edmonton or perhaps even further, the drove being traded and changed along the trail. I know it would take a large number of officers to watch horses that are driven across in that way, but it is worthy of consideration what steps should be taken.

Mr. FISHER. I will read the regulations :—

3. Branded or range western horses, other than those which are gentle and thoroughly broken to harness or saddle, may be admitted only at the following ports :—

Sarnia, Ont.; Emerson, Man.; North Portal, Wood Mountain, Pendant d'Oreille, Coutts and Cardston, N.W.T.; Gateway, Rossland, Nelson, Grand Forks, Vancouver and Victoria, B.C.; and subject to the following regulations :—

(a.) Such horses must be accompanied by a certificate signed by a veterinarian of the United States Bureau of Animal Industry or by a state veterinarian, stating that they are free from infectious and contagious disease and that no infectious or contagious disease of horses has existed in the district whence they have come, for the period of six months immediately preceding the date of their removal therefrom.

(b.) Owners or persons in charge shall afford to inspectors every facility and assistance for inspecting and otherwise dealing with such horses and shall secure and handle them as directed by the inspectors.

(c.) Such horses shall, in all cases, be subject to detention for such period as the inspectors may deem necessary to determine whether they are free from infectious and contagious disease, and shall be isolated, submitted to the mallein test, dipped or otherwise treated if the inspector so orders.

The Department of Agriculture has no power to say what animals shall come in and what shall not come in. All we can do is to say how they should be treated, and to stop them from coming in if they are diseased.

Mr. HACKETT. The question raised is a very important one, and I trust will receive the best consideration of the government. The raisers of horses in Canada should be protected, because this country is capable of raising as fine animals as can be produced in any part of the world. While I am on my feet, I wish to mention another matter in connection with Prince Edward Island. It is a very solemn affair, and one of great importance. If the hon. gentleman will consult the Auditor General's Report D—70, he will find that Mr. W. H. Pethick, Central Bedeque, was paid $2 for burying hogs. Would the minister state how these hogs came to die in Prince Edward Island.

Mr. FISHER. I am afraid I shall have to refer to the accounts before I can give the hon. gentleman an answer to his question. It is possible that Mr. Pethick may have buried the hogs outside of Prince Edward Island. However, I shall try to see that in future nothing is charged up to Prince Edward Island that does not actually occur within the bounds of the ocean which surrounds it and bathes its beautiful shores.

Some resolutions reported.

Mr. FISHER moved the adjournment of the House.

Mr. R. L. BORDEN. What business will be taken up on Monday ?

Mr. FISHER. I think we will take one or two Bills, and if we go into the estimates, the Minister of Marine and Fisheries will submit his estimates.

Motion agreed to, and House adjourned at 10.50 p.m.

HOUSE OF COMMONS.

MONDAY, June 6, 1904.

The SPEAKER took the Chair at Three o'clock.

UNION LABELS BILL—ORDER DISCHARGED.

Mr. RALPH SMITH moved that the order for second reading of Bill (No. 35) respecting union labels be discharged.

Mr. E. F. CLARKE. Might I ask for some explanation from my hon. friend ?

Mr. RALPH SMITH. It is simply to place myself in order for the re-introduction of the Bill.

Motion agreed to, and order discharged.

RAILWAY ACT AMENDMENT.

Hon. CHAS. FITZPATRICK (Minister of Justice) moved for leave to introduce Bill (No. 132) to amend the Railway Act, 1903.

Mr. CASGRAIN. Will the hon. gentleman explain ?

Mr. FITZPATRICK. This Bill is for the purpose of meeting a difficulty that was suggested during the course of the discussion on the Grand Trunk Pacific Bill with respect to the apportionment of freight rates as between two companies operating under a joint traffic arrangement. It was suggested that the Railway Commission had not full control over such an arrangement. I was of opinion at the time that they had that control ; but after looking at the Act, I think that the control would be only with respect to companies operating in Canada, and would not be applicable to companies operating partly in Canada and partly in the United States. Nor do I think the provisions of the Act go far enough to be applicable to a transportation company operating on the great lakes and under the

control of a foreign corporation. That is the first amendment. The second is as to the nationality of the directors of subsidized railways in Canada.

Motion agreed to, and Bill read the first time.

DOMINION STEEL COMPANY'S STRIKE

Mr. RALPH SMITH. Before the Orders of the Day are called, I desire to ask the Minister of Labour if the parties to the strike in Sydney, Nova Scotia, have requested the intervention of the department, or if the minister himself has volunteered any assistance in that matter ?

Sir WILLIAM MULOCK. Mr. Speaker, in answer to the hon. gentleman, I have to say that neither of the parties to the dispute at the Dominion Iron and Steel Company's works at Sydney has invited the intervention of the government or the Department of Labour. The Sydney Board of Trade did so, and overtures were made by the department to both parties ; but up to the present moment neither of the parties has been willing to avail itself of the services of the department. I have the correspondence here, and, if the House will allow me, I will read it. The following is a telegram from the Sydney Board of Trade :

Sydney, C.B., June 1, 1904,

The Hon. Minister of Labour,
Ottawa.

The Sydney Board of Trade, at a meeting held to-day unanimously resolved to ask your intervention in the existing trouble between the Dominion Iron and Steel Company and its employees, which has resolved itself into a general strike that threatens to very seriously affect this community. Briefly stated, the employees' contention is that they are not receiving a living wage, or their just proportion of the bounties paid by your government to the company. The company, on the other hand, contends that it is paying average wages, and offers to arbitrate upon this point. The Board of Trade has therefore passed the following resolution :—That, in view of the large bounties paid by the government to the iron and steel industries in Canada, the government be requested to intervene along the following lines, namely, to require the company to show the condition of its affairs to such persons as the government may see fit to appoint, with a view either, (a) to convince the employees that the company is not yet in a position to accede to their demands for higher wages, or, (b) to bring such pressure to bear upon the company as will lead to an immediate settlement of the existing difficulties.

(Sgd.) S. P. CHALLONER,
Secy., Board of Trade.

In response to this the following communication was sent to the vice-president of the company, the president, I understand, being at present outside of the country :

Toronto, 2nd June, 1904,

Dear Sir,—The government much regrets the existing differences between the Dominion Iron and Steel Company and their employees and which have resulted in a strike and a shutting down of the works and earnestly hope that at the earliest moment harmony may be restored and the men be again at work.

The Sydney Board of Trade has telegraphed asking intervention of the Department of Labour, and I beg to offer the department's services towards a settlement of the differences.

Yours faithfully,
W. MULOCK
Minister of Labour

F. Nicholls, Esq.,
Vice-president, Dom. I. & S. C.,
Toronto.

To this the following answer was received:

14-16 King St., East,
Toronto, Canada June 3rd 1904.

Sir William Mulock, K.C.M.G.,
Minister of Labour,
Ottawa.

Dear sir,—I beg to acknowledge receipt of your letter of the 2nd inst., and may say I share your regret at the existence of differences between the Dominion Iron and Steel Company and their employees. At the time of reorganization of the company's affairs last December, the position of the company was fully explained to the representatives of the men and also to members of the town council and Board of Trade of Sydney, and there has been no change for the better in the iron and steel market since that date. The trend of prices has been steadily downward, and ironmasters have in some cases shut down their works and in others reduced their staff of employees and also their wages. We have made a determined effort under discouraging circumstances to keep the various mills in operation and afford continued employment to our workmen. A short time since they made a demand for increased pay, which, under the circumstances, it is impossible to concede, but as with this demand was coupled the statement that they were receiving less than the standard rate of wages in similar industries, our directors in their reply offered to submit this claim to arbitration, and I inclose a copy of the resolution adopted unanimously by the directors at a special meeting called to consider the situation.

As the men have voluntarily quit work, the company has decided to suspend operations until the iron and steel trade is in a more satisfactory condition, but with a sincere desire to alleviate any possible suffering, arrangements have been made to, so far as possible, give work to any of our late employees who may desire it.

Yours faithfully
(Sgd.) FREDERIC NICHOLLS,
Vice-president Dominion Iron and Steel Co.

He inclosed in that letter the following copy of the resolution referred to :

Copy of a resolution unanimously passed by the directors of the Dominion Iron and Steel Company :

At a meeting of the board held on Monday, May 30th, 1904, it was resolved that the director of works be authorized to ask the officers

of the P. W. Association and a committee of the employees of the company to meet the president and himself on Thursday, the 16th day of June next, and to say to them that the directors of this company are of opinion that they are now paying the current rate of wages beyond what it at present is; and that in event of the P. W. Association and the committee of the employees disputing the correctness of this statement as to the rate of wages, that the company will consent to a decision thereon by a board of arbitrators to be chosen, one by the company, one by the employees, and an umpire to be chosen by these two, and failing the choice, that he be a judge of the Supreme Court of Nova Scotia named by the lieutenant governor.

I also sent the following telegram to Mr. Moffatt:

(Telegram.)

Toronto, 3rd June, 1904.

John Moffatt,
Grand Secretary, P.W.A.,
Sydney, N.S.

Sydney Board of Trade has telegraphed government suggesting its intervention with view to removal of present troubles between Dominion Iron and Steel Company and its employees. Government greatly regrets existence of these differences, and hope that without delay satisfactory solution may be found, and if desired will be pleased to lend its friendly services towards removing grounds of friction and re-establishing friendly relations between both sides. Kindly telegraph me whether intervention by government agreeable to employees, directing answer after to-day to me at Ottawa.

WILLIAM MULOCK,
Minister of Labour.

To this telegram the following reply was received:

Dominion, N.S., June 4.

Hon. Wm. Mulock,
Ottawa.

We prefer to be left to settle this dispute ourselves in our own way. Thanks for kind offer.

JOHN MOFFATT.

On the 4th of June I sent the following telegram to Mr. Challoner:

(Copy) June 4, 1904.

S. P. Challoner,
Secretary Board of Trade,
Sydney, N.S.

On request of Sydney Board of Trade I offered to both parties friendly intervention of Department of Labour in present dispute between Iron and Steel Company and their employees, but greatly regret that replies received indicate unwillingness to accept government intervention. Am mailing you to-day copies of correspondence.

(Signed.) WILLIAM MULOCK.

On the same day I forwarded the copies of the correspondence, accompanied by the following letter:

(Copy)

Dict. G. June 4, 1904.

re Request of Sydney Board of Trade for intervention of Department of Labour, in dispute between Dominion Iron and Steel Company and its employees.

Dear Sir:

As promised in my telegram to you this morning, I am inclosing you herewith copies of correspondence between the government and the Dominion Iron and Steel Company, and the representative of its employees, in regard to the communication received from the Sydney Board of Trade, asking the intervention of the Department of Labour, with a view of bringing about a settlement of existing difficulties.

Upon receipt of your telegram I immediately offered the services of the department to both parties, but greatly regret that the replies received indicate an unwillingness to accept government intervention.

It is possible that the parties to the dispute may not desire the immediate intervention of any third party, but that later on they may change their attitude in this particular. In which event I shall be only too pleased to lend the friendly offices of the department, should such intervention be acceptable.

Yours faithfully,

WILLIAM MULOCK,
Minister of Labour.

S. P. Challoner, Esq.
Secretary Board of Trade,
Sydney, N.S.

PUBLIC ACCOUNTS COMMITTEE.

Mr. T. CHASE CASGRAIN. Before the Orders of the Day are proceeded with I would call the attention of the House to the fact that the Public Accounts Committee has not met for some time. I do not know whether this is due to the unavoidable absence from the city of the hon. member for Annapolis (Mr. Wade), who is chairman of the committee. But we wish the committee to be convened as soon as possible.

Mr. F. B. WADE. I have been absent from the city for a couple of weeks, and I suppose it is owing to that fact that the the committee has not been convened. But, in addition, there did not seem to be any business before the committee. I will have the committee summoned at once, probably Wednesday.

OTTAWA ELECTRIC COMPANY.

House again in committee on Bill (No. 110) respecting the Ottawa Electric Company—Mr. Champagne.

On the preamble and amendment (Mr. Sproule) that the committee rise, report progress and ask leave to sit again.

Mr. W. F. MACLEAN. This Bill I regard as a very obnoxious Bill and one that ought not to be passed. Through this Bill, the Ottawa Electric Company is trying to escape an obligation that it owes to the city of Ottawa, namely, not be a party to consolidation with other companies in the same business. It now seeks to evade that responsibilty and to secure the power of merging other companies and so to create a monopoly in this city. We have long heard it said in this House that competition was a great protection of the public. Competition, we were told many times, was the life of trade. Following that principle the people of Ottawa tried to secure competition and

prevent consolidation. Now, apparently, things have changed, and combination is being effected, and, I am sorry to say is being aided in this House. The doctrine of the Liberal party at one time was, as I said, that competition would cure all the evils that humanity complained of. But, now, as I said the great doctrine of the Liberal party is combination in the interest of these monopolies. Another thing that I regret to notice is that the government is trying to escape responsibility for the conduct of the committees of this House. Not long ago, I drew attention to this fact; and now I wish to read a quotation bearing on this subject. The late Sir John Bourinot has dealt with the question of the responsibility of the government for the action of the committees of the House, and his opinion must carry weight. I have here 'The Life of Lord Elgin,' by Sir John Bouriont. At page 247, I find the following:

The Canadian minister——

Meaning, of course, the Prime Minister.

—having control of the finances and taxes and of all matters of administration, is directly responsible to parliament and sooner or later to the people for the manner in which public functions have been discharged. All important measures are initiated by the cabinet, and on every question of public interest the ministers are bound to have a definite policy if they wish to retain the confidence of the legislature. Even in the case of private legislation they are also the guardians of the public interest and are responsible to the parliament and the people for any neglect in particular.

He goes on to say:—

Responsible government makes the premier and his ministers responsible for the constitution of the committees and for the opinions and decisions that may emanate from them. A government that would constantly endeavour to shift its responsibilities on committees, even of its own selection, would soon disappear from the treasury benches. Responsibility in legislation is accordingly ensured financial measures prevented from being made the footballs of ambitious and irresponsible politicians and the impartiality and indignity of the speakership guaranteed by the presence in parliament of a cabinet having the direction and supervision of business.

Now, we have that doctrine of responsible government in this country—at least, I hope we have. I hope we believe in it. Under that doctrine the government of the day are responsible for the conduct of these committees, and particularly are responsible for all legislation that goes through this House, and so cannot evade responsibility for legislation passing through this House that is in the interest of monopoly and against the interest of the people. Now, this Bill is clearly in the interest of monopoly, as against the interest of the people, and it is being put through the House by the government of the day. Every vote in favour of this monopoly when it was considered in committee on Private Bills, was a Liberal vote. The three whips of the government were engaged in that committee in trying to put this Bill in favour of monopoly through the House. I simply take my stand on the doctrine of responsible government, and I point to the fact that this legislation is legislation in the interest of monopoly and not in the interest of the people, and I say that the government of the day are responsible—either they must protect the rights of the people against monopoly or they must stand convicted of dereliction of duty.

There is another point with regard to this Bill. Something must be added, if it is to be allowed to go through the House, and later on, I intend to move an amendment in that direction. We are hearing to-day a great deal about the principle of public ownership. It is the new evangel of this century.

Sir WILFRID LAURIER. Hear, hear.

Mr. MACLEAN. I am glad to say I have been one of those who have been preaching this evangel.

Mr. FITZPATRICK. The only thing in which the hon. gentleman has been consistent.

Mr. MACLEAN. It is an excellent gospel. It is an excellent doctrine, and is making great headway in this country. But if the evangel of public ownership is to make any headway, it must apply the principle of public ownership on every occasion, it must apply it in municipal affairs, in provincial affairs and in federal affairs. There is only one way to do it, and it is a practical way and that is to adopt the principle of public ownership by putting a purchase clause in every private Bill of this kind that goes through either the provincial legislature or this federal House; and no council in any municipality to-day will be discharging its duty to itself, no council in any municipality will be discharging its duty to its constituency unless it insists on this purchase clause being in every one of these private Bills. Now, if a man is in favour of public ownership, I don't care whether he be a Liberal or Conservative, if he does not support that proposition, he is not sound in regard to public ownership. I intend to propose in this Bill that the Ottawa Electric Company should be compelled to adopt a clause that I have drafted, and which I will submit later on. Let me give a specific instance where this clause was adopted. In 1891, the Kingston Gas and Electric Company was incorporated at Toronto. The clause read:

But at any time from and after the expiration of twenty years from the passing of this Act—

I would change that a little and make it 12 months.

—the corporation of the city of Kingston shall have the right, on giving twelve months notice to the Kingston Light, Heat and Power Company of such their intention, to expropriate the works and property of said company under and in accordance with the provisions of the general Act.

And so on. Now, if this Ottawa Electric Company is in the public interest, as they say they are, it will be willing to have that clause put in this Bill, and I propose to put it in, just as the Kingston Light, Heat and Power Company had to submit to its being put in their Bill. Further, I am advised that this company said some time ago that if the city of Ottawa desired to expropriate it under the Conmee Act, they would be willing to do so. I am not able to say whether they can expropriate it under the Conmee Act or not. It might be interfering with Dominion legislation unless this Act is incorporated under Dominion law. But to avoid all that, I propose to have this purchase clause put in this Act of the Ottawa Electric Company, and, as I said before, that would be a real test of public ownership in this country. The real test of public ownership in municipal politics will be the insertion of a purchase clause in every agreement made between one of these private companies holding a public franchise and the municipality; the test will be that the legislature of Ontario, by a general Act, and this legislature, in so far as it has jurisdiction in these cases, shall put this purchase clause in every one of these Acts. Now, down in the province of Quebec, they have had some experience with these private companies. In a newspaper called 'La Presse,' published in Montreal, and edited by Mr. Dansereau, there was a significant article of which I will read one or two paragraphs. It was an editorial appearing on June first:

The session of the Quebec legislature for 1904 has been particularly remarkable and marked; if custom declared that we must christen each session, this last one is certainly entitled to be called the session of the electrical trust.

Every measure throwing a shade on the Montreal Light, Heat and Power Company or on the surburban street car lines, has been pitilessly rejected; every measure favourable to this formidable trust has been adopted. Never before has a cabal as cynical, as brutal, been organized at Quebec. Ministers, magistrates and a cloud of lawyers have been in the service of the electrical trust and have exercised a deplorable pressure on our lawmakers.

The same thing has happened here in Ottawa. A cloud of lawyers, a cloud of lobbyists in the interests of this corporation, and a cloud of whips in the service of the Liberal party, have been working in the interest of this corporation, and the rights of the people are being taken away from them in the interest——

Mr. ALEX. JOHNSTON. Where were you that day?

Mr. MACLEAN. I was away, and I am here to-day. Where was the hon. gentleman?

Mr. ALEX. JOHNSTON. I was not away.

Mr. MACLEAN. How did the hon. gentleman vote? The hon. gentleman voted in the interest of the monopoly, he backs up his party to-day in the interest of the monopoly. I am here to fight monopolies to-day, and I will fight them, and the hon. gentleman will be in the cellar when the fight comes on. Now, Mr. Chairman, these companies are all powerful in the municipal councils, they are all powerful in legislatures, especially in legislatures that are controlled by Liberals, and they are all powerful in this House; and we are asked to-day to strengthen this monopoly in the city of Ottawa. Ottawa seems to be the peculiar home of a lot of grafters, the men who happen to hold stock in what I call the sawdust bank of this country. They are all more or less in the sawdust business, and they all think that the way to strengthen their monopolies——

Mr. CASGRAIN. The sawdust men are on the other side.

Mr. MACLEAN. I am not sure about that. But their policy is to be shining lights in Ottawa society and give a certain number of dinners every session, and in that way they think they can get any legislation they desire in this country in the interests of monopolies. Now, I say there is somebody else in this country who have interests to be protected besides those who are said to be capitalists, and who are in favour of monopolies—there are the people, and are the people's rights not worthy to be protected? Or are the people's rights to be raided, as they have been raided in this legislature, as they are being raided by this Bill? I think they are entitled to protection, and the way to protect them is to compel this company who are asking for this legislation, to accept the purchase clause. Here is the clause that I referred to, and which I propose to put in this Bill:

4. The powers hereby conferred upon the company are granted upon the condition that the corporation of the city of Ottawa shall have the right to acquire by expropriation the works and property of the company, and such right is hereby conferred upon such corporation subject to the payment of compensation by the said corporation to the company to be determined, in the event of failure to agree, by arbitration in the manner provided for by the clauses of 'The Consolidated Municipal Act, 1903,' of the province of Ontario relating to arbitrations, and the amount of such compensation shall be estimated by the arbitrators so to be appointed in the manner provided for by clause (a3) of subsection 4 of section 566 of the said last mentioned Act, which said subsection is commonly referred to as the 'Conmee Act,.

Here is the provision I propose to insert in their Bill. We will give this company the power they ask for to increase their capital, we will give them the power to buy out this

other company, but in giving them these powers we will impose upon them this condition, that the city of Ottawa shall have the right to purchase this franchise on a valuation.

Mr. RALPH SMITH. Why didn't they make that a part of the contract ?

Mr. MACLEAN. Because of the cloud of lawyers and lobbyists who surrounded their municipal council when these amendments were going through.

Mr. RALPH SMITH. Will the hon. gentleman say that the people want government ownership ? Why did'nt the people oppose the Bill ?

Mr. MACLEAN. They have tried to get public ownership but whenever they do try to get it a cloud of lawyers, some government whips and some ministers line up their followers to defeat public ownership.

Mr. RALPH SMITH. Where are the people ?

Mr. MACLEAN. The people demand public ownership.

Mr. RALPH SMITH. Then why don't they get it ?

Mr. MACLEAN. They have been blocked time after time, but they are going to get it. All these municipalities are going to have public ownership, and that is what we are going to have in the city of Toronto. The people in England have it to-day and they have it because they have obtained the legislation which they desired in that direction from parliament which was favourable to the proposition, but in some way public ownership in this country is considered to be a crime by the political parties, is considered to be socialistic, as I have said before in this House. Now, all that is changing and I say : Give the people the power to expropriate this company. In the city of Ottawa the people have had a hard fight against the monopolistic companies.

Mr. RALPH SMITH. Does not the Ontario law provide for that ?

Mr. MACLEAN. I do not know if it does because the Ontario law may not reach a Dominion Act. I am making provision by which the people of Ottawa, under this federal Bill, will have secured to them the right to purchase the property of this company.

Mr. CASGRAIN. Have you given any notice of this amendment ?

Mr. MACLEAN. I have not given it in committee but this is substantially giving notice of it.

Mr. GALLIHER. What do the council of the city of Ottawa say about this ?

Mr. MACLEAN. They have not declared upon it yet but they will declare upon it. I am giving them an opportunity to protect themselves.

Some hon. MEMBERS. Hear, hear.

Mr. MACLEAN. Hon. gentlemen have a great faculty of saying 'hear, hear' and laughing when anybody proposes anything in the public interest, but you ought to see them run to give $175,000,000 of the people's money to the Grand Trunk Pacific Railway Company. They shine upon occasions of that kind, but whenever anything is proposed in the interest of the people they oppose it like my hon. friend from British Columbia who says he is a socialist. He is everything. He is a workingman's candidate——

Mr. RALPH SMITH. I beg the hon. gentleman's pardon. I have never said that I was a socialist.

Mr. MACLEAN. Well, we will change that. He has assumed to speak in the labour interest of this country and I can tell him that the labour interest is in favour of public ownership. I would like him to go to the city of Toronto and state to the working men of that city that public ownership is a delusion and a snare.

Mr. RALPH SMITH. I believe in municipal ownership, but I want the hon. gentleman to give some evidence that the people desire it. If the people of Ottawa desire it why do they not get it ?

Mr. MACLEAN. I will tell you why. The people of Ottawa voted a while ago for public ownership of the telephone system. They voted for it twice and the city council declared for it two or three times and yet in some way some of the men who are working for this monopolistic corporation turned up in the interest of the Bell Telephone Company and the people were defeated. The public press of the city of Ottawa has been recreant towards the people in regard to public ownership because in that respect they have abandoned the people and are aiding the corporations.

Mr. RALPH SMITH. The people are greater than the press.

Mr. MACLEAN. Yes, the people are greater than the press, they are going to realize the situation and they are going to demonstrate that they are in favour of public ownership and in favour of a purchase clause. It takes the people some time to find out what the situation really is.

Mr. RALPH SMITH. But the hon. gentleman says they believe in it.

Mr. MACLEAN. They do believe in it, and they are voting in favour of it. This House will eventually vote in favour of it and the hon. gentleman opposite will have an opportunity of showing whether he is in favour of this legislation or not and he will have an opportunity of showing whether he

is in favour of this monopolistic corporation.

Mr. RALPH SMITH. If the people of the city of Ottawa demonstrate to me that they are in favour of this legislation I will support it.

Mr. MACLEAN. I am going to go one better and I am going to say that the people of Ottawa shall have the right by law to take over this concern if they wish to do so. Now, who is the chief consumer of electricity in the city of Ottawa ? I hold it is the people of Canada represented by the government of the day. The government is the chief revenue producer of this company in Ottawa and what are the relations between the government and this company to-day ? It has not even a contract with the company. It has given it the right to supply electrical energy and light and it renewed the first agreement it made with the company without competition and without any inquiry in regard to the price. It is paying to-day a price which it should never pay for electrical energy in Ottawa. Who gives this company the water privilege from which this power is generated ? The people of Canada. Who are entitled to fair treatment and reasonable prices for electrical light and power ? The people. Can the right hon. leader of the government (Sir Wilfrid Laurier) and his party justify the absence of a contract with this company ensuring to the consumers a fair price? Can they justify themselves being a party to this legislation here which means a merger and which, if a merger takes place, empowers this Ottawa Electric Light Company to put up the rates ? They cannot justify it and I say as the chief consumers of electrical energy in this country and as those who have to pay the monthly bills of this corporation they should say : In our own interest we insist that there shall be no such merger. We will hold you strictly to your agreement. It has been stated in the committee that companies can find ways of getting around all these clauses designed to prevent consolidation. If that is so we ought to do what we can to strengthen the hands of the people by inserting this purchase clause. Some hon. gentlemen may have heard to-day perhaps, for the first time in regard to this purchase clause, but on every occasion upon which I can raise it I propose to raise it and to have it inserted in all this legislation dealing with these agreements. It ought to be inserted in all contracts of the same character made with this government that at any day upon giving due notice and paying a price to be settled by arbitration, the government can step in and take over the franchise, or if a municipality is interested, the municipality may step in and take over the franchise and administer the service in the interest of the people. There is nothing so useful to the public as cheap electrical energy and we in Canada have more electrical energy than all the rest of the world put together. We have all the power that we require to drive all our railways, and all our machinery, to heat and to light all our houses, and we are doing nothing but giving it away to companies without any regulation as to the prices which they charge or as to treating the public fairly. Surely when we have this vast store of electrical energy and when we have no coal in many portions of the country we ought to take the greatest care to surround these grants with proper safeguards in the interest of the people. Nothing of that kind has been done in this country as yet. We have all been busy giving away concessions, giving away grants, giving away the people's money to these corporations without imposing sufficient regulations on them and without insisting upon some kind of a purchase clause agreement. I believe all that will be changed. I hope the government will see that it is responsible for this legislation, and especially that it will not try to shoulder the responsibility upon the committee, that it will assume the responsibility which belongs to it and that, as the chief consumer of electrical energy in the city of Ottawa, it will say to this company: We will not grant you this legislation allowing you to merge with another company. We will increase your capital if you want it increased but in the interest of the people of Ottawa we will impose upon you the condition that they shall have the right to purchase if they desire it.

Mr. THOS. BIRKETT. Mr. Chairman, we have been told by our hon. friends opposite that the city of Ottawa has entered no protest against the passage of this Bill. At the opening of this session of the House I presented a petition from the mayor on behalf of the citizens of Ottawa protesting against the present legislation.

Mr. GALLIHER. Allow me to point out that the mayor of the city of Ottawa is not the council of the city of Ottawa. He is only one officer. What I asked my hon. friend from East York (Mr. Maclean) was if the council of the city of Ottawa had entered any protest against this legislation. So far, I as a member of this House have heard none.

Mr. CLARKE. The hon. gentleman must have heard the protest made on Friday about this very thing, and repeated again to-day.

Mr. GALLIHER. Has any resolution from the city council of Ottawa opposing this legislation, been placed before the House ?

Mr. BIRKETT. In answer to the hon. gentleman's question, I may say that at the last meeting of the municipal council of the city of Ottawa a resolution was unanimously passed authorizing the mayor and the

city solicitor to look after the interests of the city in connection with this Bill. I have not a copy of the resolution at hand, but a copy was shown to me this morning by his worship Mayor Ellis.

Mr. MONET. What were the instructions contained in the resolution ?

Mr. BIRKETT. I do not know the details, but the instruction was to look after the interests of the city in connection with this Bill.

Mr. HEYD. I have a circular in my hand purporting to be issued by the mayor and city solicitor, representing that if this Bill should pass it would cause the city a loss of a quarter of a million dollars per year.

Mr. BIRKETT. So it will. Now that the hon. gentleman has brought that matter to my notice, I will explain how it will be a loss of a quarter of a million, or $300,000, a year to the citizens of Ottawa. In the first place, when the Ottawa Company got their franchise from the council of the city of Ottawa, the maximum price was one cent per ampere hour and twenty-five per cent discount, which for the purpose of calculation we may say that it was 75 cents per 100 amperes. When the Consumers Company and the Metropolitan Company got their franchise, that maximum rate was reduced to 52 cents per 100 amperes, and the price they are selling at to-day is 36 cents per 100 ampere hours. If the Ottawa Company should get the privileges they desire under this Bill, it is possible for them to increase the present rate of 36 cents per 100 amperes to 75 cents per 100 amperes. The revenue of the Ottawa Electric Company last year was $217,000 at 36 cents per 100 amperes, and the revenue of the Consumers Company was something in the neighbourhood of $80,000, or, both combined $300,000 in round numbers. Now, if 36 cents per 100 amperes will produce $300,000 and if they increase the price to 75 cents per 100 amperes, will it not produce $300,000 more, which will be an additional tax of $300,000 on the consumers of electric light and power in Ottawa ; a sum which is nearly one-half of our total taxes in the city? I hope I have made that plain to hon. gentlemen. The petition which is placed in my hands and which I have the honour to present to the House is as follows :

ROYAL ASSENT.

A Message was delivered by the Gentleman Usher of the Black Rod, as follows :

His Lordship the Deputy Governor, desires the immediate attention of your honourable House in the Chamber of the honourable the Senate.

Accordingly, Mr. Speaker, with the House, went up to the Senate Chamber.

And having returned.

Mr. BIRKETT.

Mr. Speaker informed the House that His Lordship the Deputy Governor had been pleased to give, in His Majesty' name, the royal assent to the following Bills :

An Act to revive and amend the Acts respecting the St. Clair and Erie Ship Canal Company.

An Act respecting the British Columbia Southern Railway Company.

An Act respecting the Canadian Pacific Railway Company.

An Act respecting the Atlantic and Northwest Railway Company.

An Act respecting the Ottawa, Northern and Western Railway Company.

An Act respecting the Montreal, Ottawa and Georgian Bay Canal Company.

An Act respecting the Atlantic, Quebec and Western Railway Company.

An Act respecting the French River Boom Company, Limited.

An Act to incorporate the Pontiac and Interprovincial Railway Company.

An Act to incorporate the Cascapedia Manufacturing and Trading Company.

An Act respecting the Collingwood General and Marine Hospital.

An Act to incorporate the Campbellford, Lake Ontario and Western Railway Company.

An Act respecting the Manitoba and Northwestern Railway Company of Canada.

An Act to incorporate the White Horse and Alsek Railway Company.

An Act to confer on the Commissioner of Patents certain powers for the relief of the Honourable Charles Algernon Parsons.

An Act to amend the Petition of Right Act.

An Act for the relief of James E. Taylor.

An Act for the relief of Robert James McDuff Rodger.

An Act respecting the Western Assurance Company.

An Act respecting the British American Assurance Company.

An Act respecting the Guelph Junction Railway Company.

An Act to incorporate the Guelph and Goderich Railway Company.

An Act to incorporate the Walkerton and Lucknow Railway Company.

An Act respecting the Quebec and Lake Huron Railway Company.

An Act respecting the Kootenay Central Railway Company.

An Act respecting the North American Telegraph Company.

An Act respecting the Strait of Canso Bridge Company.

An Act respecting the Pacific, Northern and Omineca Railway Company.

An Act respecting the Canadian Pacific Railway Company.

An Act to incorporate the Boundary, Kamloops and Cariboo Central Railway Company.

An Act respecting the Edmonton and Slave Lake Railway Company.

An Act to incorporate the St. Maurice Valley Railway Company.

An Act respecting the Manitoba and Keewatin Railway Company.

An Act respecting the Canadian Northern Railway Company.

An Act respecting the Welland and Grand Island Bridge Company.

An Act respecting the Ottawa, Brockville and St. Lawrence Railway Company.

An Act respecting the Nipigon Railway Company.

An Act to incorporate the Alberta Railway and Irrigation Company, and to provide for the amalgamation therewith of the Alberta Railway and Coal Company, the Canadian Northwest Irrigation Company, and the St. Mary's River Railway Company.

An Act respecting the Vancouver, Victoria and Eastern Railway and Navigation Company.

An Act respecting the Canadian Fire Insurance Company.

OTTAWA ELECTRIC COMPANY.

House again in committee on Bill (No. 110) respecting the Ottawa Electric Company.—Mr. Champagne.

Mr. BIRKETT. When the House was summoned to the Senate I was about to read the following petition from the city of Ottawa :

To the honourable the House of Commons in parliament assembled :

The petition of the corporation of the city of Ottawa, humbly showeth :

1. Bill No. 110 'An Act respecting the Ottawa Electric Company,' provides :—

(a.) That the capital stock of the company be increased from $1,000,000 to $1,500,000.

(b.) That the company may issue bonds to the amount of $1,125,000 instead of $500,000 as at present.

(c.) That the company may acquire shares in the capital stock, debentures, securities of other electric companies and that the proviso be struck out of the original Act which provides that such stock, debentures or securities shall only be issued 'as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.'

2. In 1898 your petitioners granted a franchise to the Metropolitan Electric Company of Ottawa, Limited, authorizing that company to erect poles and wires for the purpose of supplying electric light and power. Maximum rates for electric light and power were fixed in that franchise.

3. The following clause was inserted in that franchise :—

'15. That the said company shall not at any time during the said period amalgamate or combine with any other company or companies now carrying on or which may hereafter at any time during the said period carry on in the said city of Ottawa, the business of supplying electricity for the purposes of power, light or heat, nor shall the said company enter into any contract, agreement or arrangement with any such company for such purpose or that shall have such effect, nor shall the said company enter into any contract, agreement or arrangement with any such company for the purpose, or that may have the effect of creating a monopoly of the business of supplying electricity for the purposes aforesaid in the city of Ottawa, without the permission of the council of the corporation of the city of Ottawa to be expressed by by-law.'

The purpose of this provision was to prevent the company obtaining the franchise from amalgamating or selling out to any other electric light company. The term of the franchise of the Metropolitan Company was for twenty-one years from 1898.

4. The Metropolitan Company not having entered upon the business of supplying electric light, heat and power, your petitioners in 1901 gave a twenty-three year franchise to the Consumers' Electric Company, Limited. In that franchise the maximum rates for commercial lighting and power were also fixed.

A similar proviso to that in the Metropolitan Company's franchise was inserted in the Consumers' franchise, providing that the latter company should not amalgamate or sell out to any other electric light company.

5. The object of your petitioners in granting, first, the Metropolitan franchise, and then the Consumers' franchise was to secure competition in electric lighting with the Ottawa Electric Company. Your petitioners, at the time these franchises were granted, relied on the provision in the Ottawa Electric Company's Act of incorporation, which provided that that company could only acquire the stock, debentures or securities of other electric companies 'as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.' It is now sought to have this protection to your petitioners struck out.

6. When the Bill in question was before the Private Bills Committee an amendment was moved, that the power to purchase stock in other companies should not only apply to the stock of the Metropolitan or the Consumers' Company. This amendment was lost by 19 to 14. The refusal of the Ottawa Electric Company to accept this amendment indicates clearly that the real purpose of the Bill is to enable the Ottawa Company to buy out the Metropolitan and the Consumers' Company or one of them.

7. Your petitioners are advised that the evident intention of the Bill is to enable the Metropolitan and the Consumers' Companies to get rid of the provisions against amalgamating or selling out to any other electric light company, which were inserted in these companies' franchises by your petitioners for the express purpose of securing competition, and consequently low rates for electric lighting.

8. The rates charged at present by both the Ottawa Electric Company and the Consumers' Electric Company for electric light are about one-half less than they were before the Consumers' Company began to compete with the Ottawa Company. If the legislation now being asked for by the Ottawa Electric Company is granted, and it results in that company acquiring the Consumers' Company, the result will be that the citizens of Ottawa may have to pay from $250,000 to $300,000 every year more than at present for their electric light.

9 Your petitioners strongly submit that your honourable House should not enact legislation which will have the effect of taking away from the city the guarantee which it now has, that there will be competition in the supplying of electric light, heat and power, and consequently low rates.

10. The imposition of large rates for electric light, heat and power would not only compel the citizens of Ottawa to pay very much larger amounts each year for their light but they would have a deterrent effect upon any new industries coming to the city and would seriously retard the growth of the city.

11. In any event, your petitioners respectfully submit that the legislation now asked for

should not be granted on the ground that parliament should not authorize a merger of any class of companies which would have the effect of creating a monopoly.

12. In the event of the Ottawa Company, the Consumers' Company and the Metropolitan Company being merged into one company, it would be very difficult, if not impossible, for any other company or your petitioners to enter upon the business of supplying electric light heat and power, because almost all the available water powers in the immediate vicinity of the city of Ottawa would be in the hands of such a merger company or in the hands of persons or companies who could not supply power for the purposes of electric light, heat and power.

Your petitioners humbly pray that your honourable House will not enact the legislation asked for in clause 2 of the Bill of the Ottawa Electric Company, and that such clause should be struck out, or in any event that the Ottawa Electric Company should not be given authority to purchase the stock, debentures or securities of the Metropolitan Company or of the Consumers' Company.

And as in duty bound your petitioners will ever pray, &c.

The Corporation of the City of Ottawa, by
J. ELLIS,
Mayor.

Ottawa, June 6, 1904.

This is the protest which the city of Ottawa has entered against the passage of this Bill. The citizens of Ottawa have no objection to any feature of the Bill except that clause. They are quite willing that the company should have additional powers to increase their capital and also additional borrowing powers. On Friday night a great deal was said about this company not being a paying concern. I then gave some figures which had been given to me by a citizen and which I believed to be correct; I now give you the figures direct from the last report of the Ottawa Electric Company. Something was said on Friday to the effect that the reason they wished to merge these three companies into one was in order that electricity might be supplied to the city on a paying basis. The reports which I hold in my hand will go to show that the revenue now derived from the business of the Ottawa Electric Company would place that company on a paying basis if properly applied. The gross revenue from all sources, viz:

Arc and incandescent lighting, heating power and sales of merchandise, was	$217,386.83

Under the heading of expenditure we find:

Gross cost of management, operating and maintenance	$118,890.44
Showing gross profit for the year of	$ 98,496.39

To the expenses as above the following charges are added, viz.:

Interest on bonds	$ 25,000.00
Interest on current liabilities	1,379.95
Making the gross expenditure	$145,270.39
Leaving a net profit for the year of	$ 72,116.44

Now the capital stock of the company is $1,000,000, and $72,116.44 is exactly 7 2-10 per cent on the capital of that company after taking $25,000 to rest account.

There is a profit and loss account of $24,417.27 and there is a peculiarity about this report in that they only paid dividend No. 14 and 15 of 1 per cent each, making a total of $20,000 paid in dividends. Out of $72,116.44 all the shareholders got was $20,000, leaving a balance of some $52,116.44.

Then we have this statement of the profit and loss account.

Dr.

Dividend No. 14 of 1 per cent, paid July 31st, 1902	$10,000.00
Dividend No. 15 of 1 per cent, paid October 31st 1902	10,000.00
Amount placed to credit of 'Rest Account'	25,000.00
Amount placed to credit of 'Reserve Account' to provide for bad debts.	2,173.87
Amount placed to credit of 'Reserve Account' to provide for depreciation of plant	25,000.00
Balance at credit April 30th, 1903	24,417.27
	$96,591.14

But if you turn to their liabilities you will find that they already have a rest account there of $125,000, and with the addition of this other $25,000 their total rest account is brought to $150,000. On the basis then, of this statement issued by them and audited by their own auditors, I do not think that the plea of poverty by the company have any effect on the minds of the committee. I think it is only fair and right that there should be a reasonable dividend allowed to all who put their money in enterprises of this sort. Still I think there is a certain limit to matters of this kind, and to go beyond that is an abuse. There is another reason why I object to this company absorbing the two other companies. As I pointed out on Friday night, the charter now held by the Ottawa Company is in effect a perpetual charter, while that held by the Metropolitan Company is only for twenty years and that held by the Consumers' Company is only for twenty-three years. So that at the end of twenty or twenty-three years the city would be in a position to purchase the plant of either of these two companies if desired, but if they are merged into the Ottawa Company, which has a pereptual charter, the city will not be able to purchase. These are two of the strongest reasons which I have placed before the committee why the company should not be given the privilege they are asking for, that that portion of the seventh clause should be struck out. When we reach that part of the

Bill, I purpose moving an amendment, of which I gave notice to the clerk on Saturday morning about 11 o'clock. I asked him if it was in time, and he said he thought it was. I was told afterwards that, as the Votes and Proceedings had been printed, it could not be printed among the notices. If there were no other reason for delaying this Bill, I think that ought to be sufficient, as the notice was given in good faith and within the requisite time. The following is the notice of my motion :

Mr. Birkett, when the House is in Committee on Bill No. 110, 'An Act respecting the Ottawa Electric Company,' will move that the same be amended by adding the following providing that if the company acquires a majority of the shares in the capital stock, or in the debentures or securities of the Metropolitan Electric Company of Ottawa, Limited, or the Consumers Electric Company, Limited, the company shall not increase the prices or rates for electric light, heat or power beyond those provided for in the franchise granted by the city of Ottawa to the Metropolitan Electric Company of Ottawa, Limited, and the Consumers Electric Company, Limited, and being those contained in By-laws 1857 and 2138 of the city of Ottawa.

In view of the fact that the company, on their own statement, are paying 7·2 per cent dividend on $1,000,000 of capital, while selling light at 36 cents per 100 ampere hours, if they accept this proposition, which has been handed to me by the mayor, they will still have the opportunity, if they so desire, of increasing the price from 36 cents to 52 cents. I am not saying that they should do so, but in the event of amalgamation, they will have that amount of leeway.

Mr. BRODEUR. Is there not a contract already between the city of Ottawa and the Ottawa Electric Company ?

Mr. BIRKETT. There is, so far as lighting the streets is concerned ; but the reduction in price to 36 cents to ordinary consumers has come about by competition. When the Metropolitan Company started business the maximum rate it was allowed to charge was 52 cents, and the price has been gradually reduced by competition, until now we are paying only 36 cents.

Mr. BRODEUR. Besides the contract for lighting the streets of the city, is there not also a contract fixing the price which the citizens of Ottawa should pay to the Ottawa Electric Company ?

Mr. BIRKETT. No ; the only security the citizens of Ottawa have is the maximum fixed by the charter. I have explained that when the Ottawa Company first got their charter, the maximum rate allowed to them was 1 cent per ampere, with 25 per cent discount, making the price 75 cents per 100 ampere hours.

Mr. BRODEUR. Was not that clause of the charter embodied in a contract between the city of Ottawa and the Ottawa Electric Company, and is not the city of Ottawa today trying to cancel that contract ?

Mr. BIRKETT. No, not at all.

Mr. BRODEUR. It looks like it.

Mr. MACLEAN. There is no contract.

Mr. BIRKETT. If there is a contract, I don't know of it. The only contract I know of between the city and the company is the one for street lighting. When the Chaudière Company and the Standard Company amalgamated with the Ottawa Company the following was inserted in the charter :

The company shall not, without the consent by by-law or otherwise of the municipality of the city of Ottawa or of the city of Hull, respectively, as the case may be, increase the ordinary prices or rates charged by any of the said other companies for electric light in the city of Ottawa or in the city of Hull, respectively, at the time such purchase, lease or other acquirement, working arrangement or amalgamation is entered into.

Probably that is what the hon. gentleman refers to.

Mr. BRODEUR. I am informed that even before that charter was granted there was a contract made between the Ottawa Electric Company and the city of Ottawa, by which a certain price was to be charged to the citizens, and that now the city of Ottawa is trying to break that contract. I do not know whether that is correct or not, but that is the information I have.

Mr. E. F. CLARKE. Where is that information ? I asked for that on Friday night. I said there was no such limitation, and I asked some person to give me information on the subject. Perhaps the hon. minister can tell me where it can be got, because it throws altogether new light on this subject.

Mr. BRODEUR. The hon. member for Wright (Mr. Champagne), the promoter of the Bill, sends me the agreement between the city of Ottawa and the Ottawa Electric Light Company, in which section 11 is as follows :

That the companies will not except as hereinafter in this section mentioned hereafter charge a higher rate for incandescent lighting to consumers residing in the city of Ottawa than is at present charged, and consumers are to receive a discount of twenty-five per cent.

So that there has been a contract between the city of Ottawa and the Ottawa Electric Company.

Mr. BIRKETT. I am surprised that the hon. gentleman should ask for an explanation after I have repeatedly given it to him. I said at the outset that the contract between the Ottawa Electric Company and the city of Ottawa provided for a price of 1 cent per ampere, or $1 per 100 ampere hours,

with a discount of 25 per cent, that is 75 cents per 100 ampere hours. This is what the citizens of Ottawa paid before the Consumers' Company started business. When that company started business the maximum price it could charge was fixed at 52 cents, and by competition the price has been brought down to 36 cents. So that there is really no contract. The basis of the Ottawa Company's charter is that they cannot exceed 75 cents and the Consumers' Company cannot exceed 52 cents, though competition has brought the price down to 36 cents, and the consumers of Ottawa are getting the benefit of that. That is the only contract I know of.

I have gone over the merits of the question, and I think it ought to be plain to every member of the committee that all we ask for and plead for on behalf of the citizens of Ottawa is that the committee should consider the corporation of the city, should consider the citizens and consumers, and give them the protection that, it seems to me, they are entitled to. I trust the Prime Minister (Sir Wilfrid Laurier) will come to our assistance and will have the Bill stand until such time as the company and the city can get together and find if an amicable arrangement can be made. I do not see why this should not be done. When the amalgamation took place in 1894, the company and the city council got together and agreed to a contract, and, after they had agreed to it, they came here and the House gave them legislation. Why should they not do that now? I leave it in the hands of the committee. I think surely the right hon. leader of the House will come to the assistance of the city of Ottawa and will have this matter stand until the next meeting.

Mr. L. N. CHAMPAGNE. It is not my intention at the present moment to enter into the merits of this clause of the Bill. I may have occasion later on to speak at greater length. I have been asked by the promoters of the Bill to contradict certain statements that were made on Friday night by the hon. senior member for Ottawa (Mr. Birkett). This afternoon I received a letter from the Secretary Treasurer of the Ottawa Electric Company which is as follows:

Ottawa, Ont., June 6th, 1904.

L. N. CHAMPAGNE, Esq., M.P.,
Ottawa.

Dear Sir,—In the published reports of the discussion in the Committee of the Whole in the House of Commons on Friday night last Mr. Birkett is stated to have said:

First. That the Ottawa Electric Company has no restriction upon the rates that it can charge.

Second. That the Ottawa company's rates are not lower than those charged in other cities.

Third. That he (Mr. Birkett) had received a telegram from Hamilton to the effect that the Hamilton rates are as low as the rates charged in Ottawa.

Mr. BIRKETT.

Fourth. That the directors of the Ottawa Electric Company are not acquainted with the company's Bill now before parliament.

Fifth. That an annuity of $15,000 per annum is paid by the Ottawa Electric Company to some one whose name Mr. Birkett did not give.

I am directed to say that Mr. Birkett's statements are incorrect.

First. The Ottawa Electric Company by its contract with the city of Ottawa has a restriction on its rates, both for arc and incandescent lighting.

Mr. CLANCY. Do I understand, Mr. Chairman, that the hon. gentleman (Mr. Champagne) is reading a document contradicting a statement made by the hon. member for Ottawa (Mr. Birkett). If so, he has no right to read such a statement.

Sir WILFRID LAURIER. For what reason?

Mr. CHAMPAGNE. The letter goes on:——

Mr. CLANCY. I call your attention to the fact that the hon. gentleman (Mr. Champagne) has no right to read such a statement.

Sir WILFRID LAURIER. I do not understand on what ground the hon. member for Bothwell (Mr. Clancy) bases his objection.

Mr. CLANCY. The hon. gentleman (Mr. Champagne) is reading a statement, coming from some outside person contradicting a statement of the hon. member for Ottawa (Mr. Birkett) made in this House.

Sir WILFRID LAURIER. My hon. friend from Ottawa (Mr. Birkett) did not pretend to speak of the matter as within his personal knowledge. He spoke of something that he had heard and others may have information as good as his.

Mr. BIRKETT. The Prime Minister (Sir Wilfrid Laurier) is quite correct. As to the figures—I think 'Hansard' will bear me out—I said that, personally, I knew nothing about the working of the company, but that I had seen a telegram from Hamilton purporting to show that the charges for electric lighting in Hamilton were about the same as here. So far as the $15,000 annuity is concerned, I said that that had been brought to my notice but that I did not know anything about it, but gave it as I got it. I made no positive statement.

Mr. CHAMPAGNE (reading.)

Second. The rates of the Ottawa Electric Company are lower than the rates charged in any other city in Canada.

Third. The rates charged in Hamilton for incandescent lighting are fifty per cent in excess of the rates charged in Ottawa. The rates charged for arc lights in Hamilton are $85 each; the rates at Ottawa under the contract now being entered into with Ottawa are $52 per annum.

Fourth. The directors of the Ottawa Electric Company are fully in possession of the Bill now before parliament.

Fifth. No person receives an annuity of $15,000 or any other amount from the Ottawa Electric Company.

As Mr. Birkett's statements were made upon the floor of the House, this company will feel obliged if this official denial can be made in the same place.

Yours very truly,
D. R. STREET,
Secretary-Treasurer.

I think the reading of this document is perfectly in order. And, of course, will lead the committee to decide as to the value of the statements made by the hon. member for Ottawa (Mr. Birkett) and also the statements signed by the city solicitor and the mayor and the statements made by the Ottawa Electric Company.

Mr. C. B. HEYD. This question, to my ordinary mind is quite clear. I do not see what right—at least what moral right—we, as a parliament, have to override an agreement entered into by two independent corporations, unless with their mutual consent. If the city of Ottawa has entered into an agreement and granted a franchise under certain conditions I do not know why we, at the solicitations of one of the parties should override that agreement and substitute fresh conditions. At any rate we should not do that until the city of Ottawa is a consenting party. So far as I have gathered from those officially entitled to speak for the city of Ottawa—the mayor and the city solicitor—they object to this legislation. I do not think Ottawa will be treated fairly unless this Bill is referred back to the committee to ascertain the real facts of the case. When we thoroughly understand the situation, and after the city of Ottawa has had an opportunity to make her views heard upon this question, only then shall we be entitled to take an active part in this controversy.

Mr. CLARKE. The Minister of Inland Revenue (Mr. Brodeur) has drawn our attention to the fact that on the 30th June, 1894, an agreement was entered into by the Ottawa Electric Company, the Chaudière Electric Light and Power Company, Limited, and the Standard Electric Power Company of Ottawa, Limited, on one side, and the city of Ottawa on the other side. And the minister has quoted correctly the 11th section of the agreement as follows :

That the companies will not accept as hereinafter in this section mentioned hereafter charge a higher rate for incandescent lighting to consumers residing in the city of Ottawa than is at present charged, and consumers are to receive a discount of twenty-five per cent instead of 20 per cent as allowed at present, and that such reduction shall commence to be made within one year from this date ; and in the event of the said companies being compelled at any time to place their wires underground the present rates shall not be increased unless with the consent of the municipal council of the city of Ottawa expressed by by-law and then only to such an extent and for such term as the council may determine by by-law, but nothing in this clause shall effect special contracts.

I do not know enough about this matter to be able to determine whether, when this contract was entered into between these companies and the city of Ottawa, it was the intention that no other electric light company should be admitted to do business in the city. So far as I see, there is nothing specified in this contract to that effect. Since that time, another company has made an agreement with the city of Ottawa, that company being known as the Consumers' Electric Light Company. That company has undertaken to supply light at a maximum rate mentioned in its contract. I believe that maximum rate is lower than the maximum rate named in this contract of 1894.

Now the Ottawa Electric Light Company are asking for power to increase their capital, and for the right to acquire the property of other electric light companies. I would think it more economical myself, if the municipality had control of the prices, if there were only one electric light company ; but if by the Bill as it is at present before us the Ottawa Electric Light Company may obtain the franchise and the business of the Consumers' Electric Light Company, that company will go out of business, the restrictions imposed upon it will fall to the ground, and in its place the maximum rate provided for in this contract may be charged. If I am correctly stating the case, I think that would be a hardship on the people of Ottawa. Ever since the establishment of the Consumers' Electric Light Company the people who use electric light in this city have obtained it at a lesser price than was previously the case. I appeal to you, Mr. Chairman, and to the committee, there being a conflict of opinion upon a matter of great importance to the people of the capital, and, as my hon. friend from East York (Mr. Maclean) has pointed out, the government of this country being the largest single consumer of electric light in this city, it is not an unreasonable request under the circumstances that this Bill should be referred back to the Private Bills Committee for further consideration. I for one believe that a municipality ought to be obliged to live up to its contract when it has made a contract ; I believe at the same time that if a company makes a contract it should be obliged to live up to it, and that we should not facilitate the passage of legislation that will enable any company to absolve itself from its obligations and mulct the consumers of electric light as well. That will be the effect of the adoption of the Bill now before us ; the people will have to pay a higher price for electric light than they would otherwise pay. I think, unless very

good ground is shown for this legislation, unless it can be clearly shown that this company are carrying on business at a loss, the Bill should not pass in its present form. I hope the Prime Minister will see his way clear to let the Bill be sent back to the Private Bills Committee so that, all parties being heard and the committee being in possession of all facts, we may have a further report upon this matter.

Sir WILFRID LAURIER. The matter is altogether new to me. It came before the House as an ordinary private Bill, and there was no more disturbance of public opinion in regard to it than an ordinary Bill creates.

An hon. MEMBER. Read the press of the city.

Sir WILFRID LAURIER. I have not seen any serious objection to it except in one of the papers. One paper has favoured it, and others have been silent. I may say this to my hon. friend : If I understand the case correctly, the Ottawa Electric Light Company made a contract in 1894 with the city of Ottawa whereby it was stipulated and agreed that a certain rate should be fixed for supplying electrical light to the citizens of Ottawa. That contract was made, as I understand. Then am I right in understanding that later on the city of Ottawa, notwithstanding this contract, made another contract with the Consumers' Electric Company ?

Mr. MACLEAN. Which they had a perfect right to do.

Sir WILFRID LAURIER. Well, we will see whether they had that right or not. As has been asked by my hon. friend from Brant (Mr. Heyd), has the city a right to make another contract with another company because it thinks it can do better ? I think not.

Mr. CLARKE. The reason why the corporation of the city of Ottawa was a party to that agreement made in 1894 is set out in the agreement itself. In consideration of the companies agreeing to certain proposals and restrictions arranged between them and the corporation, the corporation agreed to the amalgamation. But there was no provision made in that contract that the corporation should not give permission to other lighting companies to come in, there was no suggestion of a provision of that kind. It was perfectly free for the corporation of Ottawa later on to allow other lighting companies to come in. The Prime Minister should bear in mind also that Ottawa has power from the Ontario legislature to expropriate property and engage in electric lighting. I think that is an additional reason why a further conference should be held.

Mr. HAGGART. There is no binding power on the part of the city of Ottawa in reference to the agreement that the Minister of Inland Revenue has read. It is simply a permission by the city of Ottawa to these two parties to make electric light in Ottawa, and if they do it, the city requires them to furnish light to the citizens at a maximum price. There is nothing in the contract which says that the city of Ottawa shall not make bargains with other companies. The Bill is a harmless looking Bill, but the effect of it is that this new company may acquire shares in the capital stock, debentures and securities of other electric companies, or of companies possessing powers similar to those of the Ottawa Company. Originally they could acquire stock in consideration for goods, wares and merchandise ; they can acquire it now for any reason whatever.

Mr. FITZPATRICK. Not for any reason, only for cash.

Mr. HAGGART. They can purchase the stock of other companies, they can make an agreement with the parties who own the stock of other companies, and for any reason or for any consideration whatever, can acquire it. Where did the Minister of Justice get his authority for saying that it is only for cash ?

Mr. FITZPATRICK. It is the general law of the corporation.

Mr. HAGGART. If you own stock in this company and I can purchase it on any consideration I like, it gives power to the new company to do so in the same way. These two companies have an arrangement made with the city of Ottawa by which they furnish light to the citizens at a lower price, and the effect of the Bill is that you can buy out the two other companies which are furnishing electric light at a lower price, and fall back on the old arrangement and charge the citizens what they had a right to do under the old agreement.

Mr. JAMES CLANCY. I wish to call your attention, Mr. Chairman, to a violation of the rules of this House. I was quite unable to understand why you took no notice of the objection I raised. I do not know whether it was because the Prime Minister took a contrary view or not, but I desire now to call your attention to a violation of that rule on the part of the hon. member for Wright (Mr. Champagne). This is what Sir John Bourinot says on page 460 :

> Nor is it in order to read articles in newspapers, letters or other communications, whether printed or written, emanating from persons outside of the House, and referring to, or commenting on, or denying anything said by a member, or expressing any opinion reflecting on proceedings within the House.

I desire to know what your view is Mr. Chairman, with regard to the violation of that rule by the hon. member for Wright.

Sir WILFRID LAURIER. The hon. member for Wright (Mr. Champagne) only said he had seen a telegram stating that the rates in Ottawa were something like the rates in Hamilton. He does not make that statement on his own authority.

Mr. CLANCY. He said it in denial of what the hon. member for Ottawa (Mr. Birkett) said.

Sir WILFRID LAURIER. The hon. member for Wright only said he had seen a telegram from Ottawa giving certain information ; that was not disputing the word of the hon. member for Ottawa. The hon. member for Wright then gives another statement. My hon. friend from Bothwell (Mr. Clancy) would be right in raising an objection if the hon. member for Wright was reading a newspaper or a document denying the word of another hon. gentleman.

Mr. CLANCY. No, no, that is not it at all. If my right hon. friend will permit me I will read it again.

Nor is it in order to read articles in newspapers, letters or other communications, whether printed or written, emanating from persons outside of the House, and referring to, or commenting on, or denying anything said by a member, or expressing any opinion reflecting on proceedings within the House.

The hon. gentleman was commenting upon what took place in this House. If it had any purpose whatever it was for the purpose of denying what my hon. friend from Ottawa (Mr. Birkett) had said, and if it did not have that meaning it would have been useless to have read it.

Sir WILFRID LAURIER. If my hon. friend from Ottawa (Mr. Birkett) had made an affirmation of some fact that he knew himself, certainly, his word would have been binding and no one could have contradicted him not only outside of this House, but even in this House, but when my hon. friend only gives information which he got from outside of this House, everybody has the same right as he has.

Mr. DEPUTY SPEAKER. The point of order was taken some time ago and I do not think it is in order to argue it out. I think the difference of opinion is more in regard to the application of these words than anything else, and I think it had better be allowed to rest.

Mr. CLANCY. Does the hon. gentleman refuse to give us his decision?

Mr. DEPUTY SPEAKER. The point of order should not be taken and pressed.

Mr. CLANCY. It was taken but you refused to take notice of it.

Mr. DEPUTY SPEAKER. No, when the right hon. Prime Minister made his explanation the hon. gentleman sat down and did not press his point of order and I therefore assumed that the point of order was passed over.

Mr. CLANCY. I assumed, Mr. Chairman, that you knew the rules of the House and I therefore awaited your decision.

Mr. BRODEUR. My hon. friend from Brantford (Mr. Heyd), a few moments ago, said that it would be better to refer this Bill back to the committee because it looked as if the Bill was violating a contract existing between the city of Ottawa and the Ottawa Electric Light Company. I must tell my hon. friend that he is mistaken in that respect. This Bill does not provide for any violation of the contract existing between the Ottawa Electric Light Company and the city of Ottawa.

Mr. CLARKE. What will be the effect of its passage?

Mr. BRODEUR. It will not have any such effect, because the city of Ottawa today is bound by its contract with the Ottawa Electric Light Company under which this company shall charge a certain rate for furnishing light to the citizens of Ottawa. and this increase of capital will not have the effect of releasing the Ottawa Electric Light Company from the contract made between the city and the company in 1894.

Mr. CLARKE. There is no objection in regard to the increase of the capital.

Mr. BRODEUR. There is no objection to that ? The increase of the capital will not have the effect of violating any contract. On the contrary, I see by the papers that were handed to me a few moments ago by the promoter of the Bill that the city of Ottawa to a certain extent, has been violating the contract which was entered into by it with the Ottawa Electric Light Company. In 1894 the city of Ottawa and the Ottawa Electric Light Company entered into a contract by which it was agreed that one cent per ampere should be charged to the citizens of Ottawa by the company. There were at this time three companies existing in the city of Ottawa. These companies were not giving satisfaction to the public. These companies went to the city council and a contract was made between these three companies and the city of Ottawa by which it was agreed that a certain maximum rate should be charged for furnishing light to the citizens of Ottawa. Amongst these three companies was the company now interested in this legislation. Therefore, there was a formal agreement between the city of Ottawa and this company. Now, what was done by the city of Ottawa a few years later ? Four or five years later the city of Ottawa goes and makes a contract with a new company, violating to a certain extent the contract which the city had made in the first place, by which this new company undertook to charge a less

rate than the Ottawa Electric Light Company. Therefore, the people who have put their money into the Ottawa Electric Light Company are deprived of their rights

Mr. HEYD. Did the city have a legal right to make that second agreement?

Mr. BRODEUR. Perhaps it had an absolute right to make that contract, but I am asking my hon friend whether we should consider it fair on the part of the city of Ottawa, after having made a contract with the city of Ottawa for furnishing light to the citizens, finding themselves in a mess and not knowing what to do, to go to this company and say: Let us agree that you shall charge only a certain amount, with the result that an agreement is made and then the city of Ottawa to get a new company to start up in competition with the old company. That is the situation of affairs. If we give authority to increase the capital stock there will be no violation of the contract between the Ottawa Electric Light Company and the city.

Mr. HEYD. The difficulty is not about the increase of the capital stock. There is nobody objecting to that. It is to the application of the capital stock that we are objecting.

Mr. BRODEUR. I understand that somebody is moving that the preamble be declared not proven and I supposed that the main object of this Bill is to secure the authorization of an increase of the capital stock.

Mr. MACLEAN. No, it is the coloured gentleman in the next clause.

Mr. BRODEUR. If the preamble were rejected it would prevent an increase in the capital stock.

Mr. HAGGART. Does the hon. Minister of Inland Revenue hold that the city entered into a contract for its citizens to pay a certain amount to the Ottawa Electric Light Company for light and that it was obligatory upon them to take it at that rate?

Mr. BRODEUR. Certainly.

Mr. CLARKE. Not at all.

Mr. BRODEUR. There is a maximum price fixed by the contract.

Mr. HAGGART. The contract is simply to allow the electric light company to carry on their operations in the town, enabling them to construct works for that purpose and for the consideration they agree that they shall not charge the citizens more than a certain amount.

Mr. BRODEUR. The contract is binding upon the city of Ottawa as well as upon this company.

Mr. HAGGART. Is the hon. gentleman arguing that the city is bound to take light at that price?

Mr. BRODEUR. If the company is bound by its contract the city is bound by its contract.

Mr. HAGGART. Certainly it is, as far as the contract is concerned.

Mr. BRODEUR. I am inclined to think that the city of Ottawa, by forming a new company and making a new contract, to a certain extent violated the old contract. But it does not matter, we are now dealing as between the city of Ottawa and the Ottawa Electric Light Company and suppose this Bill did pass there would be no violation of the contract except between the city and the company. My hon. friend from East York (Mr. Maclean) spoke about municipal ownership. It has nothing to do with the Bill. I think he will realize, after the fine speech he has made upon municipal ownership, that it has no bearing at all upon the question which is now before the committee. But, there is a point which has been raised by my hon. friend from South Lanark (Mr. Haggart) to the effect that in this increase of capital for the purpose of subscribing stock in another company there is a violation of principle. I think in that respect my hon. friend is mistaken, because we have again and again passed legislation without any objection giving to companies the right to subscribe to the capital stock of other companies.

Mr. BRODEUR. The general law in Ontario gives this company the right to subscribe the capital stock of other companies of the same kind.

Mr. CLARKE. But this is not the case of parent subsidiary companies.

Mr. BRODEUR. By section 79 of the Ontario Joint Stock Company's Act, if two-thirds of the shareholders consent they have a right to subscribe capital in any company.

Mr. CLARKE. The clause to which the hon. gentleman refers does not apply to the issue between the parties in this case, because if this company gets power to acquire the stock of the Consumers' Company the result will be great loss to the citizens of Ottawa. If the Minister of Inland Revenue argued on the supposition that the maximum price to be charged is the price now charged by the Consumers' Electric Company, then his quotation would be germane.

Mr. BRODEUR. I am merely answering the suggestion of the hon. gentleman (Mr. Haggart), that the provision to enable them to subscribe stock in any other company was an extraordinary one. The hon. gentleman is mistaken as to that. Last session we gave three companies this power.

Mr. HAGGART. I did not say it was an extraordinary thing to allow one to take stock in another, but I pointed to the serious result in this case.

Mr. BRODEUR. Last year we gave the Dominion Gas Improvement Company the same power as is now sought, and among the incorporators were Mr. MacDougall, Mr. George Henderson, Mr. MacCormack and others, and we did not see the mayor and aldermen here to protest: The same power was given to three Ottawa companies last year by this parliament.

Mr. CLARKE. Is it not a fact that in all those cases the persons whose stock was to be acquired were the only parties affected, and had the sole right to say whether the stock should be acquired or not? In this case the Consumers' Electric Light Company was created by the city of Ottawa under agreement, and so long as the city of Ottawa, which is one of the parties to the agreement, objects to this legislation, it is not fair for the Minister of Inland Revenue to cite such examples.

Mr. BRODEUR. We gave the same power last year to the Canada Atlantic Railway Company, and there was no protest. For years this parliament has been giving similar powers to other corporations, and I do not see why the Ottawa Electric Company should be refused.

Mr. CLARKE. It is because, in this case, the people who will be adversely affected by it, entered a protest against the Consumers' Electric Light Company which they brought into existence being wiped out, and the maximum charge of the Ottawa Electric Company substituted for the maximum charge of the Consumers' Electric Light Company.

Mr. BRODEUR. If there is any violation of contract, it is a violation on the part of the city of Ottawa, who, having entered into a contract with the Ottawa Electric Company, gave another contract to another company.

Mr. CLARKE. If it can be shown that the Ottawa Municipal Council was a party to giving an exclusive franchise to the Ottawa Electric Light Company. I shall vote for this Bill. I have only been able to glance at the contract, but I do not believe that there is any such provision in it. If the Ottawa Electric Company assume the rights of the Consumers' Light Company of the city of Ottawa, they should assume the obligation in the Consumers' Company's charter, and accept the maximum price which the Consumers' Company may charge.

Mr. BRODEUR. If the Ottawa Company buys the stock of the Consumers' Company, they will be bound by the contract which exists between the Consumers' Company and the city of Ottawa. For my part I have no other understanding about it. There is a contract existing between the city of Ottawa and the Ottawa Electric Company, and this Bill will not vary that contract. I do not see why we should not accord to the Ottawa Electric Company, the same treatment we have accorded to other companies time and time again.

Mr. CLARKE. I am glad to have the authority of a gentleman so eminent in the legal profession as the Minister of Inland Revenue for the statement that the amalgamation of these companies will oblige the amalgamated company to charge no higher rate than the maximum rate now charged by the Consumers' Electric Light Company.

Mr. LANCASTER. It is nothing of the kind.

Mr. CLARKE. If the statement of the Minister of Inland Revenue is correct, then the interest of the light consumers of the city of Ottawa will be protected. If the Minister is perfectly clear on that point, why not insert such a provision in the Bill so as to make it beyond peradventure?

Mr. BRODEUR. I understand that the Ottawa Electric Company is willing to stand by the contract which it has with the city of Ottawa. If they buy over the Consumers' Electric Light Company, they will be bound by the contract between the Consumers' Company and the city.

Mr. HAGGART. It is not an amalgamation of two companies at all, it is an empowering Act to allow this company to purchase stock in the other. If this is passed, the Ottawa Company may purchase the whole of the stock of the Consumers' Company. It is true they would then be bound by all the obligations entered into by the Consumers' Company, but after the Ottawa Company acquires the stock of the Consumers' Company, the Consumers' Company would simply go out of existence. What is to prevent that? What possible object would they have in working the two companies? After the Ottawa Company acquires all the stock of the other company are they going to continue the two rates, one at 75 cents per 100 amperes, and the other at 36 cents? The sole object is to wipe out the company they purchase, and to carry on the business under the name of the old company.

Mr. MACLEAN. Under the present legislation and without any violation of contract we, the largest consumers of this electrical energy, get electrical energy at a reduced price. Grant the legislation asked today and we will have to pay maximum prices. The Minister of Inland Revenue (Mr. Brodeur) made this proposition to the House and I never heard such a pettyfogging argument. It is as if I should agree with you, a grocer, to buy sugar at a maximum price of ten cents a pound. He says

that because I make that agreement I am prevented from buying sugar at four cents a pound from any one else. There is no violation at all on the part of the city of Ottawa. The city of Ottawa puts its statement most fairly.

> The object of the city of Ottawa in granting, first, the Metropolitan franchise, and then the Consumers' franchise, was to secure competition in electric lighting with the Ottawa Electric Company. The city, at the time these franchises were granted, relied on the provision in the Ottawa Electric Company's Act of Incorporation, which provided that the city could only acquire the stock, debentures or securities of other electric companies 'as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.' It is now sought to have this protection to the city struck out.

The city of Ottawa and the people of Canada have a protection to-day in the purchase of this electrical energy, but grant the legislation desired and that protection is at once removed. The Ottawa Consumers' Company is empowered to put up the rates to a maximum of 75 cents. That is not in the public interest. Why should we give this company power to raid this House and the citizens of Ottawa. I ask the right hon. the Prime Minister, not as Prime Minister but as a citizen of Ottawa, does he think it is good legislation in the interests of the citizens ? Is it good legislation to remove this protection from the humblest citizen ? There has been no violation of the contract by the city of Ottawa ; they fulfilled their contract by allowing the company to erect their poles and supply electricity, but now the company seeks to have removed a restriction that was placed in the contract in the interest of the city of Ottawa.

Mr. CLARKE. In the memorandum presented to us to-day, we find :

> The rates on electric light provided for in the franchise given by the city of Ottawa to the Ottawa Electric Company and the Consumers' Electric Company are as follows :
> Ottawa Electric Company. ·75 of 1 cent per ampere hour net.
> Consumers' Electric Company. ·52 of 1 cent per ampere hour net.

What I desire to draw attention to is the next paragraph :

> The present rates charged by both companies are ·36 of 1 cent per ampere hour net.

If the suggestion made is accepted, the amalgamated companies could increase the rates from ·36 of one cent to ·52 of one cent per ampere hour, an increase of nearly 50 per cent. The hon. member for Ottawa (Mr. Birkett) pointed out this afternoon the result of the last year's operation under very difficult circumstances of the Ottawa Electric Company. We have not been able to get a statement of the last year's operations of the Consumers' Company, but I point out that if we pass this legislation the rate now charged by the Ottawa Company may be increased from ·36 of one cent to ·52 of one cent per ampere hour. The statement which the hon. member for Ottawa (Mr. Birkett) has presented shows that a very reasonable profit on the investment has been made at the present rates. I would draw the attention of the Prime Minister to the fact that the Consumers' Electric Company of Ottawa is composed of leading citizens of the city ; I am sure he would concur in that statement if he knew their names ; men who have a large interest in this community, men who did not go into that company simply as a toy, men who have made it a great success, and in view of that fact it is surely not unreasonable to say that when we give power to the Ottawa Company to absorb the Consumers, which is a fairly profitable concern, the obligations now imposed by the agreement between the city of Ottawa and either of the existing companies, should also be imposed upon the consolidated company.

Mr. BIRKETT. I would like to have it clearly from the Minister of Inland Revenue in what way he makes out that the city of Ottawa are violating this agreement. The arrangement entered into between the city and the Ottawa Company was that the company would not charge more than 75 cents per 100 amperes. It is not a bargain it is an agreement made between the corporation of the city and the company, for the supplying of light to the citizens of Ottawa. They did not agree to take light at that price, but they agreed to give them certain privileges provided they supplied the light at that price and did not charge more. Then, when the Consumers' Company applied for a charter, that was a rival company that offered better conditions to the city. The city, not having given the Ottawa Company an exclusive franchise, said : What are your terms, what advantages are the citizens to derive from incorporating a new Company ? The company said : We will supply you with electricity at 52 cents per 100 amperes.

Mr. BRODEUR. When the new company was formed or when the old company was formed ?

Mr. BIRKETT. The new company was formed in 1901, and the old company got their amended charter in 1894. But there was no violation of an agreement, because the city had fulfilled their agreement by giving the company permission to erect poles and distribute electricity through the city.

Mr. BRODEUR. My hon. friend will admit that the Ottawa Company has the right to charge 75 cents ?

Mr. BIRKETT. That it why we are fighting to-day. They can make money, under present conditions ; I showed a few moments ago that they made 7·22 per cent on

their capital selling light at 36 cents, and we do not wish them to be permitted to charge 75 cents. If this amalgamation is permitted it may be that the Ottawa citizens will have to pay 75 cents per 100 amperes instead of 36 cents.

Mr. BRODEUR. Is the Consumers' Company opposing this legislation ?

Mr. BIRKETT. We have not the Consumers' Company before us at all, but the city of Ottawa has a certain contract with the Consumers' Company and that we want to protect in the interest of the citizens.

Mr. LANCASTER. On Friday night I stated my views on this matter, and I would not have troubled the committee again except for what has fallen from the lips of the hon. Minister of Inland Revenue. I am sorry to say that I cannot agree with his deductions. I am satisfied that the hon. minister did not read the whole Act of incorporation of this company, which we are being asked to amend, or he would not have drawn the deduction that the city of Ottawa is asking us to do anything unfair in refusing to pass section 2 of this Bill, which is for the purpose of amending section 7 of the Act of incorporation. First, dealing with the minister's allegation that the city of Ottawa is trying to violate a contract made with this company by asking this House to refuse to pass this section, I wish to point out that the only effect of the amendment proposed to be made to section 7 is that a restriction which was imposed by parliament on this company's right to buy up other companies, is to be removed. At the very most, the city of Ottawa says, leave us where we were in 1894, and leave the Ottawa Electric Company in the position in which they would be obliged to deal with us if they had not invoked new legislation. The city of Ottawa is asking for no special benefit for itself. It only asks parliament not to take away the restriction, whatever it is worth, which exists in the legislation of 1894 ; and when one opposes the amendment which is intended to take away that restriction, surely it does not lie in the mouth of any one to say, you are asking that the city of Ottawa be allowed to violate a contract. Section 8 of the statute of 1894 presupposes that this Ottawa Electric Company would want to buy up and amalgamate with it all the companies in existence at that time ; at all events, certain companies there named. It is quite clear that the Consumers' Company did not exist at that time ; it did not come into existence, I am told, until 1901 ; but the Chaudière and the Standard Companies named in that statute did exist. What did the Act provide in regard to them ? What did this parliament solemnly declare should be done with respect to the companies that did then exist ? That the directors of those companies could sell out to the Ottawa Electric Company, and that it could buy their rights and franchises, but subject to this :

Provided that after any such purchase, lease or other acquirement, working arrangement or amalgamation as aforesaid is entered into, the company shall not, without the consent by by-law or otherwise of the municipality of the city of Ottawa or of the city of Hull, respectively, as the case may be, increase the ordinary prices or rates charged by any of the said other companies for electric light in the city of Ottawa or in the city of Hull, respectively, at the time such purchase, lease or other acquirement, working arrangement or amalgamation is entered into.

That would not allow this company to buy up the companies that existed then except on condition that the rates in existence at the time of the amalgamation—not the maximum rates, as suggested by the Minister of Inland Revenue, but the rates brought about by competition or by any such force as the city of Ottawa within its rights could exercise—should not be exceeded, unless the city of Ottawa by by-law or otherwise agreed to something else. Talk about violations—where is the violation here, unless it is a violation by the Ottawa Electric Company, not simply of a contract with the city, but of an Act of parliament ? And why should this company have the right, under exactly the same circumstances, to amalgamate with the Consumers' Company without a similar provision being made applicable ? The Consumers' Company is not within that qualification of section 8, because it did not come into existence until four or five years afterwards. The only section that would apply to it would be subsection (d) of section 7 which we are asked to-day to remove. If we do not refuse to amend section 7 of the original Act, we should then, as an alternative, amend section 8 so as to include the Consumers' Company in the restrictive provision we made in 1894 with reference to other companies which were in the same position then that the Consumers' Company is in now. If this Bill passes without some such dealing with the Consumers' Company, what is the effect ? The effect is this, that the companies which are named in the Act of 1894 could not sell out to the Ottawa Company and charge higher rates than are there specified, without a by-law or agreement with the city of Ottawa, but this Consumers' Company, which came into existence in 1901, could do what we said the other companies should not be permitted to do. Therefore it seems to me that the Acts quoted by the Minister of Inland Revenue have no bearing on the case. I do not say that it is ultra vires of this parliament or wrong legislation in every case, to allow one company to buy up stock in another company. But I say that you must look at the circumstances of each case. This is all private legislation, based on an agreement between the city of Ottawa and the Ottawa Electric Company

in 1894, and if we allow this Bill to pass without some protection for the citizens of Ottawa, either by refusing to pass section 2, or by adding a clause to provide that the Consumers' Company shall be included in the provisions of section 8 of the original Act, we shall be doing away with the principle which this parliament declared should be carried out in 1894, when this Ottawa Electric Company was given its franchise permitting it to do business. To say that because the contract with the city provided for a maximum rate therefore that rate was agreed to by the city, is no argument at all. It is not common sense. That provision simply meant that the city wanted to get as cheap electricity as it could, and that it bound the company not to charge more than so much ; but it did not bind any one to pay that much if the electricity could be got at a cheaper price. The effect of this legislation, if passed without any amendment, must simply be that although the city of Ottawa has a right, by an Act of parliament which exists to-day, to prevent the Ottawa Electric Company from amalgamating with any other of the companies named in that Act, this Ottawa Electric Company could compel the city of Ottawa and its citizens to recognize rights in regard to other companies which have come into existence since 1894, and to deal with them on an entirely different basis from all other companies which were said to be seeking amalgamation with this company when the Act of 1894 was passed.

Mr. MACLEAN. May I repeat, once more, the argument I have stated in this committee :—The government of the day are the guardians of the people's purse, the farmers of this country have put the government in charge of the purse of the nation. By legislation as it now exists, the people of this country are protected as to the rates they must pay for electric energy in the city of Ottawa. The Prime Minister, and the treasurer of this country, the Minister of Finance, so far as we can gather here to-day, are deliberately in favour of removing this protection to the purse of the people. I ask the Prime Minister to bear that in mind. Also call his attention to this fact—that before any further steps are taken in connection with this Bill, we ought to have the Minister of Public Works here to tell us what we, as a nation, pay to this Electric Company in the city of Ottawa, that is now supplying this House and the various departments at Ottawa with electrical energy. The Minister of Public Works should be here to tell us whether we are getting as good a rate as the citizens of Ottawa are getting, and whether he would advise, as the one having the service in charge, that the protection that we have to-day should be removed. It is in the interest of the city, it is in the interest of the country, it is in the interest of the humblest consumer of electrical energy in the city of Ottawa, that this protection should be maintained. The removal of this protection is not in the interest of this company otherwise than as it strengthens its monopoly. We are supposed to be against monopoly in this country. We will grant the company all their rights ; but why should we give them more ? Parliament in its wisdom, some years ago, limited the company, limited them in the interest of the people of Ottawa, and, probably, of the people of Canada as represented by the government here. If that is the case, no matter what the privileges we may have given in other cases, these do not afford a reason why this protection now enjoyed by the people should be removed. That is the plain issue and I leave it here. We have a protection to-day against monopoly ; we have a protection against high prices for electrical energy,—and the proposal now is to remove that protection.

Mr. FITZPATRICK. Will the hon. gentleman (Mr. Maclean) point out the legislation that protects the people against monopoly, of which he speaks ?

Mr. MACLEAN (reading) :

> The object of the city of Ottawa, in granting, first, the Metropolitan franchise and then the Consumers' franchise, was to secure competition in electric lighting with the Ottawa Electric Company.
>
> The city, at the time these franchises were granted, relied on the provision in the Ottawa Electric Company's Act of incorporation, which provides that company could only acquire the stock, debentures or securities of other electric companies 'as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.' It is now sought to have this protection to the city struck out.

The protection is there, and the proposal is to strike it out. That is my contention, and it is the contention of the city.

Mr. FITZPATRICK. I presume that my hon. friend (Mr. Maclean) means that the protection is taken away by striking out the words in subsection D of section 7.

Mr. COCHRANE. Let the minister read it himself.

Mr. FITZPATRICK. I prefer, in an argument, to deal with one at a time. I presume that the hon. gentleman refers to the words in subsection D of section 7 'as the consideration of goods, wares or merchandise sold to such other companies in the ordinary course of business.'

Mr. MACLEAN. That is what the city says it relies upon.

Mr. FITZPATRICK. I was not in the committee when this Bill was under discussion, and am not informed as to the effect of this legislation, nor can I say that I have gathered a great deal of information from the discussion to-day. I take it that the objection is to the amendment of subsec-

tion D of section 7. That subsection is an exception to the general law of the country, that is to say, it authorizes the acquisition by this company, which was created in 1894, of shares in the capital stock of other companies. That was in direct opposition of section 41 of the Companies' Clauses Act of 1891, which provides :

No company shall use any of its funds in the purchase of stock in any other corporation, unless in so far as such purchase is specially authorized by the special Act, and also by the Act creating such other corporation.

That is to say, in 1894, this company was given special power, as against the general law of the country, to acquire this stock. That power is not being given now ; it was given in 1894. And moreover, it was given subject to this very unusual provision, that the consideration for the acquiring of that stock might be goods, wares or merchandise sold to the other companies in the ordinary course of business. The general law provided that stock was not to be acquired, but, where exceptions had been allowed, it had been the rule to provide that stock of one company acquired by another should be paid for in cash. So, this was a departure from two principles of the law : In the first place, it gave power to the company to acquire stock in other companies, and, in the second place it allowed the company to acquire such stock without paying cash for it, but by paying in goods, wares and merchandise. If there was any violation of principle, if there was any departure from principle, that violation and that departure took place at that time. Without referring to a previous debate, I may say that every one in this House will remember the acrimonious discussion that occurred when, a few nights ago, we considered a similar clause of the Grand Trunk Pacific, where we provided that the capital stock of the Grand Trunk Pacific might be acquired by the Grand Trunk without paying cash. Why, hon. gentlemen even moved an amendment, declaring that, if the stock was acquired, it should be paid for in cash, and they based their argument in support of that amendment on the estimate that this was the general principle of the law. So, which legislation will these hon. gentlemen stand upon ? Do they wish the general law made applicable to this corporation, or do they wish an exception made in the case of this corporation ? I do not know anything about contracts that the company may have with the corporation of the city of Ottawa. I am not concerned with that. I do not know anything about the details of this matter. But let us look at the legislation and see what would be the effect of it, if adopted. It will give this company the same powers that are given to any company incorporated under the Joint Stock Companies' Act of Ontario—no more nor no less. We are told that it will lead to monopoly. But, if so, why does it not lead to monopoly in all these other cases in Ontario ?

Mr. CLARKE. Will the hon. minister allow me to ask him a question ? Are the circumstances in other cases exactly identical with those in the city of Ottawa ?

Mr. FITZPATRICK. I do not know whether they are or not. I am simply asking why the argument that is applicable to other companies in Ontario is not applicable to this.

Mr. CLARKE. The circumstances, as the hon. minister (Mr. Fitzpatrick) knows are peculiar—unique. Nobody knows that better than the hon. minister himself. Will the hon. minister state, will he endorse the opion of the Minister of Inland Revenue, that this company will be bound by the maximum rate fixed in the agreement made between the city of Ottawa and the Consumers' Electric Company ?

Mr. FITZPATRICK. I know nothing of that contract the hon. gentleman speaks about, nor am I aware that there is anything unique in the position of the city of Ottawa. I have had the pleasure of living here for seven or eight years, and it is an ordinary town, governed in the ordinary way. I do not know that there is anything unique about it.

Mr. CLARKE. Is there not this unique about the situation so far as lighting is concerned, that in the contract read by the hon. minister's colleague this afternon, made I think in 1894, between the electric companies that were then consolidated and the city of Ottawa the maximum price was fixed for each electric light ? That since then a contract has been made with another company, and that the maximum price fixed by that contract is much lower than in the previous one ? If that is the case now and if by this legislation we are giving facilities for an amalgamation, the amalgamated company may charge the maximum price, that is the rate fixed in the contract of 1894, which is much higher than that fixed subsequently. The Minister of Inland Revenue, a gentleman well versed in law, has expressed the opinion that if these companies do amalgamate the consolidated company will be bound to charge no more than the maximum rate fixed in the agreement between the city and the Consumers' Light Company. If the Minister of Justice agrees with that opinion, then we can rely upon it.

Mr. HAGGART. The Minister of Justice lays down a principle of law which I never heard of before, that is, that a corporation cannot acquire the stock of any other corporation under the General Act unless for cash.

Mr. FITZPATRICK. I will read the law for my hon. friend. Section 41 of the Companies' Clauses Act, chapter 118 of the Revised Statutes of Canada, says :

No company shall use any of its funds in the purchase of stock in any other corporation, unless in so far as such purchase is specially authorized by the special Act, and also by the Act creating such other corporations.

My hon. friend will see there is no doubt about it. That has been the law since 1867, before I came to the bar.

Mr. HAGGART. I am not yet convinced that a corporation cannot pay for anything except in cash where it it authorized to purchase, either by its own Act or by the General Act, and that when it buys shares in any other company it must pay cash.

Mr. FITZPATRICK. The first point is as to whether a corporation can acquire the stock in any corporation unless it is authorized by a special Act. I think that point is settled by the section I have read. The other principle of law will be found in section 30 and the preceding sections of the same Act:

Every shareholder shall, until the whole amount of his stock has been paid up, be individually liable to the creditors of the company to an amount equal to that not paid up thereon.

He has got to pay whatever he is called upon to pay in the first instance—in default of a special arrangement it is 10 per cent—he has got to pay that, and then the shareholder is individually liable to the extent of every farthing that is due on the balance. That is the general principle, that the stock must be paid for in cash. As I said a moment ago, there has been a departure from that.

Mr. HAGGART. We are still at loggerheads. I know well that where a party subscribes for stock in a company he is obliged to pay for it in cash. But my question relates to a case where a company is authorized to purchase stock in another company, that has already been paid for, perhaps. Can they make an arrangement to pay other than by cash?

Mr. FITZPATRICK. No doubt they can make an arrangement, no question about that. But the point now is what the general provision of the law is. As I have shown, the stock must be paid for in cash. Then there may be a departure from that principle, that is, there may be a private arrangement between the two companies, and if you are dealing with an Ontario corporation the Ontario Act makes special provision for such an agreement. But you must have an agreement, and it can only be for certain considerations mentioned in the Act, and that agreement must be deposited with the provincial secretary or the Secretary of State. But that is not the case here. In the absence of subsection (d) of section 7, the section we are now concerned with, this Ottawa Electric Company could not acquire stock in the other company at all. The power, the authority to take stock is conferred upon them by this section. Now that same subsection would confer upon them the authority to take this stock in a kindred company, that is, a company having kindred purposes. The Act determines the conditions under which they can do it. It was you can take that stock in this kindred company provided you pay for it in goods, wares or merchandise. Now the effect of this amendment is merely to substitute the consideration that is to be paid, that is, cash instead of goods, wares or merchandise.

Now my hon. friend argues that if that amendment is adopted it will lead to all manner of abuses. I really cannot follow my hon. friend. I have no desire to support a monopoly, although this Act provided for a monopoly, this Act has a monopoly in contemplation. Section 8 of the Act of Incorporation of the Ottawa Electric Company provides for a monopoly of that company.

Mr. CLARKE. Read it, please.

Mr. FITZPATRICK. My hon. friend is too fast for me. I have no desire to provide for a monopoly, or to be a party to any legislation which will have that effect. Will my hon. friend say that if you authorize this company to take that stock for cash instead of taking it for a consideration to be paid in goods, wares or merchandise, these terrible results will follow? I cannot see it. If they get it for goods, wares or merchandise, or if they can get it for cash, in what respect will the results differ? How can these terrible results follow in one case and not in the other? If they follow at all, they must follow from the fact that this company will acquire the stock. Now how can the result be affected by the manner of payment? It seems to me that is elementary. The hon. member for Lanark (Mr. Haggart) and myself may differ in law occasionally, but I have confidence in his business judgment, and I would like him to follow out that point and to show me how the result is to be affected by the consideration to be paid for that stock. I said a moment ago that this Act of incorporation has a monopoly in contemplation. Look at section 8 and see what is provided for there. There were three companies in existence when this Act of incorporation was passed; these three companies were the Standard, the Chaudière and the Ottawa, the latter having been brought into existence at that time. Section 8 provides:

The directors of the company may, for and in the name of the company, purchase, lease or otherwise acquire and take over in whole or in part, upon such terms as may be agreed upon with the other companies hereinafter mentioned respectively, and may thereafter hold, exercise and enjoy the business, franchises, undertakings, property, rights, powers, privileges, and assets or any of them of the Ottawa Electric Light Company, hereinafter called 'The Ottawa Company,' of the Standard Electric Co. of Ottawa (Limited), and of the Chaudière Electric Light and Power Company.

That is to say, it provides specifically for the taking over by this new company of the franchises of the other companies that were then in existence. Now, what is my object in referring to that ? My object in referring to that is to show how my hon. friend from Lincoln has missed the point in referring to the proviso of the Act. He did not refer to the enacting part which provides the conditions under which they could take over these companies. He simply referred to the proviso. In reference to this legislation, parliament very properly said : As we are giving you a monopoly, as we are giving you the whole field to yourselves we make the provision that any arrangement you may make with these companies under which you take them over, will be subject to the control of the corporation of the city of Ottawa as to the rates you are to charge. There could be nothing more reasonable than that, because we were giving this corporation absolute control of the field in so far as the city of Ottawa was concerned. Parliament said : Inasmuch as we are giving you a monopoly, we require that the representatives of the citizens who will be affected by this monopoly shall have the right to determine the rates which you are to charge. That is what the section provides.

Mr. LANCASTER. That prevents a monopoly.

Mr. FITZPATRICK. It does not prevent a monopoly ; it creates a monopoly.

Mr. COCHRANE. No, it does not.

Mr. FITZPATRICK. It creates a monopoly with the right to regulate rates on the part of the corporation.

Mr. COCHRANE. You did not give us that before.

Mr. FITZPATRICK. I did not because I knew my hon. friend (Mr. Cochrane) thoroughly well understood what I said and that he did not require any further explanation. Everybody knows what a monopoly means and everybody knows what the right to regulate rates means. This is a right to supply power or light subject to the right of the corporation to regulate the rates.

Mr. CLARKE. For what length of time was that monopoly given ?

Mr. FITZPATRICK. There is my hon. friend again. There is nothing so dangerous as a man who has a book before him and who seeks to cross-examine on that book.

Mr. CLARKE. I ask my hon. friend for what length of time that monopoly was given ?

Mr. FITZPATRICK. My hon. friend has the book there before him, and he can tell.

Mr. CLARKE. I am asking the hon gentleman.

Mr. FITZPATRICK. My hon. friend is too clever. I have never read the agreement, I know nothing of the arrangement with the corporation, and I trust the committee will take what I say to be a fact when I declare that I know absolutely nothing about it except what I see in the statute, but I cannot understand how it is if you take this stock for cash instead of taking it for goods, wares and merchandise, the effect will be to create a monopoly.

Mr. HAGGART. That is the point I would like to have answered.

Mr. FITZPATRICK. It seems to me that the position of this company will be that they will have the right to acquire shares in the other company—the Consumers' I think it is. If they become shareholders in the Consumers' Company and if the Consumers' Company have a contract with the city, the fact that they have acquired shares in the stock of that company cannot affect the contract that they have with the city. That seems to me to be apparent.

Mr. HAGGART. Every one knows that unless they wipe out the company.

Mr. FITZPATRICK. If they acquire shares in the company and there is a contract with the city the fact of their having become shareholders in lieu of those who are now in possession of the shares does not affect the contract with the city corporation. If that be correct I cannot see what the trouble is about.

Mr. HAGGART. If they were to work the company it might be so, but they might put an end to the company.

At six o'clock, committee took recess.

After Recess.

The committee resumed at eight o'clock.

Mr. LAVELL. I have a good deal of respect for the opinion of the Minister of Justice, and so I would like him to reconsider some of the points he made in connection with this Bill. The Minister of Justice referred to the original Ottawa Electric Company Act of 1894, subsection 'E' section 7, which allows the company to acquire shares of capital stock of other companies as consideration for goods, wares, or merchandise, sold to other companies in the ordinary course of business ; and he held that that was a special privilege, and that the amendment that was now being asked for would practically restrict the company to buying that stock for cash. However, in answer to the hon. member for South Lanark, the Minister of Justice admitted that if the power were given to the Ottawa Electric Company to acquire shares in other companies without limitation, they would not be confined to payment in cash, but could exercise the privilege which they

have under their original charter. As a consequence, the amendment that is now being asked for, would very greatly extend the privilege of the Ottawa Electric Company in buying shares in other companies, as I think the Minister of Justice will on consideration, admit. It is plain, from the original Act of 1894, that the company is not simply constituted for the purposes of providing light, heat, and power for consumers, but that they can manufacture electrical appliances, and can undertake contracts to equip electric lighting and heating companies, so that it is under section 7 in which they are given the power to manufacture these articles, that they have the right to acquire shares in other companies for the purpose of paying the accounts that have been acquired through their supplying appliances to those other companies. This authority of the Ottawa Electric Company under this original charter can only be exercised to any appreciable extent, in the case of new companies of which they would be practically the promoters. That power has been given to a number of manufacturing corporations, both by the Ontario and the Dominion statutes, and except under the most extraordinary conditions it cannot lead to the merger of the Ottawa Electric Company with the old companies.

Mr. FITZPATRICK. Does it permit the acquisition of stock; that is the question?

Mr. LAVELL. I beg the hon. gentleman's pardon; that is not the question. The question is: what is the danger of a merger?

Mr. FITZPATRICK. I am not discussing a merger.

Mr. LAVELL. I am. I have no objection to this Act whatever, if it does not lead to a merger, and to the formation of a trust. I am quite willing to see the Ottawa Electric Company prosper and grow, so long as it does not grow at the expense of the people. No old established company would need to purchase goods, wares, or merchandise sufficient to enable the Ottawa Electric Company to control an interest in it, but if this Act passes, the Ottawa Electric Company can acquire shares in any company just the same as any private individual can, and by means of their borrowing powers and without pledging their personal credit, by a vote of a majority of the shareholders, they can buy a controlling interest in several existing companies from private shareholders. The hon. minister of Justice said that during the recent debate, members on this side of the House had been insisting that cash should be paid for the Grand Trunk Pacific stock. I do not think that case is analagous to this, but suppose it were; the fact remains that in the case of one railway company buying the stock of another, the public is more or less protected by the law which says, that railway rates shall be regulated by a railway commission, whereas in the case of rates charged for electric lighting, and power, there is no statutory limitation on them.

I am not one of those who say that a monopoly is always wrong. I can see many cases, especially in the handling of public franchises, where a monopoly might be in the public interest provided it was kept under public control and operated under proper conditions. In the case of railways for instance we at least have some attempt made to regulate their powers and rates, but there is no provision of that kind in the case of such a company as the Ottawa Electric Company. The Minister of Justice (Mr. Fitzpatrick) cited the Ontario Act and said that under the Companies Act of Ontario an opportunity was given to all companies to do exactly what this company asks the privilege of doing. We are not responsible for Ontario legislation and there are many things in the Ontario statutes that will be changed as the people of Ontario grow wiser, but even on this particular point they were wiser in Ontario than this House would be if it passed this Act, for the Ontario House does not permit a company to buy shares in another company except by at least a two-third vote at a general meeting called under special conditions. The Ontario Act goes I think, a little farther than it should go in the public interest, but it does not go anything like as far as this Act will go if we amend it as now proposed and permit the shareholders to buy up the shares of any other companies by a bare majority, something the Ontario Act does not permit. The Ontario Act at least applies to all companies and puts them on an equal basis. If one company has the right to do it, so has every other, but if we read the Acts incorporating these companies, we will see that not one of the existing electric companies of Ottawa has that power now, and if we grant this power to the Ottawa Electric Company it will have the sole right to do these things. In other words it will have a special power and not the general power that will be given to a company incorporated under the Ontario statutes. If the government chooses to take the responsibility of creating this opportunity for forming a monopoly, why does it not take courage and suggest an amendment to the general Act? I do not believe it would go further than the Ontario Act; I cannot believe this House would go as far as this Act. It is admitted all over the world by students of legislation that a clause such as this allowing a company unlimited power to buy shares in other and rival companies is the strongest possible basis for the formation of a gigantic trust. We are not bound to follow precedents but every one who has been before the committees knows how strongly

precedents are urged and that if we pass this Bill in its present form we are simply paving the way for all companies that choose to ask for it to obtain similar powers and to be enabled to gobble each other until a series of trusts shall be created in towns where rival companies exist. The Minister of Justice said that this Act in its present form created a monopoly. As I read it it certainly did but it created a monopoly after full notice to all who are interested. It stated the companies it was intended to buy and made special provision in the charter creating that monopoly that no change was to be made in the existing rates. But this Act gives the company power to buy up rival companies without notice to parliament or discussion by the parties interested. We are giving them that right with absolutely no provision for the defence of the public. In this particular case I have no interest personally beyond the responsibility which every member must assume for all legislation. This is special legislation that would be cited as a precedent and as giving one company a power which none of its rivals have. If it is right to put in this clause it should be brought up in a general way and should be introduced as an amendment to the Companies Act.

Mr. E. D. SMITH. Why should we interfere with the Act as it now exists ? The present Act prevents a monopoly in the city of Ottawa. The Ottawa Electric Company is permitted to buy shares but only under such conditions that they cannot under any circumstances buy out existing companies. If the amendment is carried this company will have unique powers such as no other company has unless it receives them by special Act of parliament. This large city enjoys competition in the important matter of electric light and power, and it has been shown that by this amendment the citizens might have to pay an additional $250,000 or $300,000. If they acquired these powers the company might charge 75 cents per 100 amperes. The first duty of this parliament is to protect the rights of the people. To-day we have three members of the government rising in their places to defend this Bill and apparently they are the only ones to defend it. Nineteen members voted for it in committee and I have been wondering why some of these men who voted for it do not rise and give some good reason why this amendment should be made. The only reasons we have heard have been advanced by the Minister of Inland Revenue (Mr. Brodeur) who said that an agreement between the city of Ottawa and this company had been broken ; that the city of Ottawa is to-day breaking faith and is not carrying out its contract, but the hon. Minister of Inland Revenue has failed to show in what respect it is breaking faith. Neither he nor any one else has shown one single particular in which the city is not keeping to its agreement. It has not been shown that the city of Ottawa agreed to take any quantity of light, heat or power for either an unlimited or limited space of time. All that is shown is that the city allowed this company the use of its streets for the manufacture and sale to the people of light, heat and power, in consideration of which the company agrees not to charge more than 75 cents per 100 amperes, so that the only argument really which has been advanced does not hold good. What argument can be advanced ? A great many members, including myself, are not on the Committee on Private Bills, and have not heard a single reason why this Act on our statutes should be amended as proposed. Why, then, should not the Bill be referred back to the committee, where it may be further discussed and further light thrown upon it ? The only other argument, namely, that we should not interfere with the rights of the company to buy the stock of other companies, is invalid, if the lawyers are correct in saying that the general law of the country does not allow one company to buy the stock of another. If that be not the law, and if there are many special Acts for the purpose of enabling one company to buy stock in another, I submit that that is an abuse of our power to legislate. I submit that we ought to go rather in the other direction, and on every occasion safeguard the rights of the people by providing that when a corporation secures a charter from this House it should not be allowed to buy stock in another company and thus make a merger or trust. Here is a case in which such a provision exists, and we are asked to abrogate the clause which prevents the creation of a monopoly. I submit no good reason has been given why we should pass the measure, and therefore it ought to be referred back to the committee.

Mr. HAGGART. A few words in reply to the argument of my hon. friend the Minister of Justice, and in support of that of my hon. friend from North Leeds. One would judge, from the argument of the Minister of Justice, that this Bill is a limitation of the powers which are at present enjoyed by the Ottawa Electric Company. Clause 7 of that company's charter gives it the power to :

> Acquire stock in the capital stock, debentures and securities of other electric companies or of the companies possessing powers similar to those of the company, as the consideration for goods, wares or merchandise sold to such other companies in the ordinary course of business.

The argument of the Minister of Justice is that this is a power which is in excess of what ought to be given any company, and that the Act amending it is a limitation of that. My hon. friend from Leeds (Mr. Lavell) has struck the right key. He says that this clause enables the parent company, which manufactures all these things, to come to the aid of a subsidiary company by taking

stock in payment, but the amendment will give the Ottawa Electric Company the right to control the franchise of any other company by purchasing the majority of its stock. It is a good deal worse to give that power to a company than simply to give it the power to acquire stock in exchange for materials furnished. Then there is a question whether, when one company amalgamates with another, it does not assume all the liabilities. If there is an agreement by which this company, which the Ottawa Electric Company intends to purchase, is bound to furnish the city with light at a certain price, I have always contended that a merger of the two companies makes the company which absorbs the other subject to all of the obligations of the company it absorbs. Therefore, if the Ottawa Electric Company should purchase the other, it would be obliged to furnish light to the city at the same rate. But this Bill will give the Ottawa Company the power to purchase a majority of the stock of the other, and is a great extension of its powers. It gives it the power of purchasing, not only for cash, but under any other arrangement it might make with the stockholders, the shares in the company it desires to control, and the Ottawa Electric Company will become the one which will deal with the city and the consumers. The other company may be kept in existence by the election of a directorate and a president once a year and do no other business. The Bill simply enables the Ottawa Electric Company to obtain control of this other company which has an agreement with the city of Ottawa to furnish light at nearly half the rates charged by the Ottawa Company. The other company may then go on existing in form and doing nothing, and the Ottawa Company be able to dictate its own terms.

Motion of Mr. Sproule, that the committee rise and report progress, negatived.

Committee divided on the preamble. Preamble adopted—yeas, 30 ; nays, 28.

Section 2 agreed to, yeas 30, nays 28.

Bill reported.

Mr. DEPUTY SPEAKER. When shall the Bill be read the third time ? Now ? Mr. Champagne moves seconded by Mr. Lavergne that the Bill be now read the third time.

Mr. HAGGART. Next sitting of the House.

Mr. DEPUTY SPEAKER. The question was put as to when the third reading shall take place. I heard no objection to the third reading being taken now.

Mr. HAGGART. I would submit the question of order whether, under the rules of the House, a Bill can be put through two stages at the same sitting.

The PRIME MINISTER. This is only one stage.

Mr. HAGGART. Are the committee and the third reading only one stage ?

Hon. L. P. BRODEUR (Minister of Inland Revenue). Yes, generally. It has been decided several times that, when a Bill has not been amended in committee it can be read the third time at the same sitting. It is for the House to say whether it shall be ordered for third reading or not. Mr. Speaker was of the opinion that the general consensus of the House favoured the third reading to-night. Then comes up the question of the third reading of the Bill.

Mr. HAGGART. I objected in time to the taking of this stage.

Mr. BRODEUR. It is not considered to be two stages, unless the Bill has been amended in committee. I have not the rule under my hand, but I remember having decided that question several times when I was Speaker—that if a Bill is not amended in committee the House has the right to decide whether it shall be ordered for the third reading the same day or not. It is not a question of procedure, but it is for the House to decide.

Mr. PUTTEE. Mr. Speaker, I beg leave to move, seconded by Mr. Hackett, the amendment of which I gave notice :

That the said Bill be not now read the third time, but that it be referred back to the Standing Committee on Miscellaneous Private Bills, with instructions to that Committee to add a clause, providing that the power to acquire shares in the capital stock, debentures, or securities of other electric companies shall not apply to the capital stock, debentures or securities of the Consumers Electric Company, or of the Metropolitan Light and Power Company, or their assigns.

It would seem to me that the case made out here by the hon. senior member for Ottawa (Mr. Birkett) would be sufficient in itself to justify this House in returning this Bill to the Private Bills Committee. That hon. gentleman was not at the meeting of the committee when this Bill was considered. He has put before the House to-day a petition of the council of Ottawa, he has submitted numerous arguments, and, altogether, it seems to me, has made out a case that, at least, the members of the House should be willing to investigate, and, for that purpose to send the Bill back to the committee. I had given notice of this amendment before I knew what position the hon. senior member for Ottawa would take on this Bill. I gave notice of this amendment because I was in the Private Bills Committee when the matter was discussed and at that time decided, and I move that amendment now because, I believe, it is but a simple act of justice to the citizens of Ottawa that we should reserve this condition as a safeguard to them against monopoly in light, heat and power in this city. And I think it should go back to the committee

because I believe that in the general confusion that existed in the committee at the time this Bill was considered and passed the members did not fully appreciate the strengthening of monopoly that it involved. The amendment that was put in your hands, Mr. Speaker, is acceptable I understand to the city council of Ottawa, to its mayor and to its solicitor. It is also accepted by the officers of the Canadian Union of Municipalities. This organization has become a power in this land, and it has taken a part in the contest for the reason that it is opposed to the encroachment of corporations on civic rights in Canada. They came forward of their own volition to oppose this Bill, they came forward to uphold the corporation of the city of Ottawa in resisting the demands that are being made by the Ottawa Electric Light Company at this time. I wish to point out that even if we throw this Bill out altogether we take nothing at all away from the Ottawa Electric Company. We are not threatening their rights or their powers. If at this time they are asking for something improper, asking for something they have no business to get under their contract with the city of Ottawa, then it is certainly our duty to see that this Bill does not become law, and that no powers are given to them which the city of Ottawa are opposed to.

During the afternoon the position of this company and of the other companies named in the amendment have been set forth clearly, and it is not necessary for me to go into that matter more than to say that the Ottawa Electric Company now promoting this Bill is itself an amalgamation of three companies. It has itself a Bill of incorporation that was granted by this parliament, but it was granted as the basis of an agreement between itself and the city of Ottawa. Under the operation of that Act the price of electric power and of light and heat in the city was not to be above a certain fixed maximum. In 1901 the Consumers' Company was incorporated. It started business with a maximum schedule as agreed upon by the city of 52 cents per 100 ampere hours against 75 cents being charged by the Ottawa Company as the maximum rate. As a matter of fact the competition has set a price, not at 52 cents per 100, but at 36 cents per 100. Both the Consumers' and the Ottawa Company are at this time charging that rate, and the people of Ottawa are getting their light and power at that rate. That has been the result, and it seems to me it has justified the action of the city of Ottawa in trying to escape a monopoly in this line of business. I may say, Mr. Speaker, that the question of public ownership is not involved in this matter that we have before us to-day. It is merely a matter of lighting the city of Ottawa that is in dispute. The matter we are dealing with relates wholly to the price the citizens of Ottawa will have to pay for their electric light, heat and energy. That is a different question altogether from public ownership. If the city went into the business of producing electric light and heat, it would be a question of municipal trading in contradistinction to municipal ownership. So it seems to me it is out of the way altogether to introduce into this discussion the question of municipal ownership. It is purely and distinctly so far as I can see, a matter of municipal monopoly, of a monopoly in opposition to the interests of the city and the citzens.

I think I would be justified in saying that the inference to be drawn from the Bill before us is that it is the wish of the Ottawa Electric Company to have a monopoly of their business in this city. I say that is a legitimate inference. In the Private Bills Committee that inference was directly contradicted by the representative of the Ottawa Electric Company. I asked him why they had this Bill before the House if that was not their object, and it was explained to the committee that the reason was this, that in the near future there was to be a considerable proposition put before the capitalists of this district, including and embracing the acquisition of some large water powers around the Chaudière, and that the Ottawa Electric Company expected to be included in this proposition, and therefore they wanted power to go in and buy up some other water powers, buy out some other companies who have control of water powers just above the Chaudière Falls. I accepted that explanation, and put this proposition to the representative of the company : On your own ground, if that is why you are asking for this Bill, then, seeing that the city of Ottawa draws another inference from it, draws the inference that you want a monopoly, in order to meet their objection, will you accept a provision that you shall not invest in any stock or securities of the Metropolitan or Consumers' Company ? If that statement made by them was fair, if it was right, if it was the whole case, then the proposition I made to them would have been accepted. If that is their position to-day, then the acceptance of the amendment I am offering does not hurt the Ottawa Electric people at all, does not in any way hamper their movements, and will not interfere with them in carrying out the amalgamation that they expect to make next year in connection with the water powers at the Chaudière. But, Mr. Speaker, the representative of the company refused to accept this amendment, he refused on this one ground : He said that the company objected on principle to being singled out and being forbidden to invest in the securities of these two other companies. Now I do not think that the representative of the company is the one to bother about the principle, it is for us to look after that principle. It seemed to me then that he was throwing doubts on his own frankness in stating, when this Bill was asked for, that

he objected on principle to having the other two companies exempted from the operation of the Bill. Mr. Speaker, I am led to the conviction by the arguments and facts that were put before the committee, both by the representative of the company, by the mayor and council of Ottawa and by the representations of the Canadian Union of Municipalities. I was forced to the conclusion, as I say, that the whole object of this Bill, innocent though it looks to be, is to give the Ottawa Electric Company a monopoly of the business of supplying light, heat and electric energy to the citizens of Ottawa, so that it may be able, if it thinks proper, to raise its rates up to the full maximum that is granted them under their charter. It is for that reason, and especially since it is being supported by the hon. memmer for Ottawa (Mr. Birkett) that I ask by my amendment that this Bill be referred back to the Private Bills Committee that we may have the whole matter threshed out there.

Mr. BIRKETT. I desire to make one more appeal to the gentlemen occupying the the benches on the government side of the House not to force this Bill to its third reading now, but to give the over-burdened citizens of Ottawa an opportunity of trying to come to terms with this would be monopoly. I said this afternoon that we had been getting light for 36 cents per hundred amperes. The maximum of the Consumers' Company is 52 cents while the maximum of the company which is seeking this additional legislation is 75 cents. Upon the business done by the Ottawa Electric Light Company last year, when they charged the consumers of their light 36 cents per hundred amperes, they realized $217,000, making a net profit of $72,000 which, on their capital of $1,000,000, represents seven and two tenths per cent. Now, Mr. Speaker, if this Bill is allowed to become law and they carry out the intention they have in view there is nothing under the sun to prevent them putting an additional burden upon the citizens of Ottawa of from $250,000 to $300,000. They have it within their own grasp to charge 75 cents per hundred amperes, that being the maximum which they are allowed to charge. If all competition is removed there is nothing to prevent them from assessing and collecting the full maximum as set forth in their charter which they obtained seven or eight years ago. I would ask the House to consider this matter seriously. This legislation will benefit a few people, I know, but I would ask the House to think of the many people who will not be benefited by it. Surely we are not sent here to legislate for the benefit of half a dozen men who can lobby up and down these halls, but we are sent here to represent the people and the people's request is that this matter be left in abeyance until such time as the citizens and the council of Ottawa have an opportunity of meeting the company and seeing if they cannot came to some amicable arrangement. I would ask the House not to press this Bill to the third reading, but to give an opportunity of trying to come to some arrangement.

Mr. SPEAKER. Is the House ready for the question ?

Mr. MACLEAN. Mr. Speaker, I beg to call your attention to the fact that this Bill has not been printed in both languages.

Mr. SPEAKER. If the Bill has not been printed in both languages we cannot proceed with it.

Sir WILFRID LAURIER. Quote the rule.

Mr. HAGGART. We would not ask Mr. Speaker to sit in review upon his own judgment.

Sir WILFRID LAURIER. It is not decided yet.

Mr. SPEAKER. I have not ruled. I do not know whether it is not printed. I say if it is not printed it cannot be proceeded with.

Mr. MACLEAN. The Orders of the Day say it is not printed in the two languages. I find there is only one Bill marked 'E' and 'F.'

Mr. BRODEUR. My hon. friend (Mr. Maclean) is mistaken. The words 'English' and 'French' appear on the order paper only on the second reading of the Bill, not after the Bill has gone before the Private Bills Committee. I think he will find that the rules provide that the Bill shall be printed in French as well as English for the second reading and not after the Bill has gone gefore the Private Bills Committee.

Mr. MACLEAN. That is special pleading and I am sorry to hear it from an ex-Speaker. The rule is that a Bill cannot be proceeded with unless it is printed in both languages. The Orders of the Day say that it is not printed in both languages.

Mr. SPEAKER. I may say it is not usual to state on the order paper for the third reading whether bills are printed in French or English or both languages. The orders are generally printed with that statement when they are for the second reading but if it is a fact that the Bill is not now printed in French and English it cannot be proceeded with and that is a fact that we must ascertain.

Mr. BRODEUR. I am sure my hon. friend (Mr. Maclean) will be sorry to know that the Bill is printed in French.

Mr. HAGGART. Before the vote is taken, I wish to know whether pairs will be allowed to vote.

Sir WILFRID LAURIER. I think pairs can vote on private Bills.

Mr. HAGGART. All right.

Mr. CALVERT. We do not propose to pair on this vote.

Mr. TAYLOR. Pairs are only made on government questions. Am I to understand that this is to be a government question ?

House divided on amendment (Mr. Puttee).

YEAS :

Alcorn,	Lefurgey,
Angers,	Lennox,
Bell,	Macdonald,
Birkett,	Maclean,
Campbell,	Monet,
Casgrain,	Morin,
Clancy,	Mulock (Sir William),
Clarke,	Pope,
Cochrane,	Pringle,
Daniel,	Puttee,
Earle,	Richardson,
Erb,	Roche (Marquette),
Gilmour,	Ross (Ontario),
Grant,	Sherritt,
Hackett,	Smith (Vancouver),
Haggart,	Smith (Wentworth),
Halliday,	Stephens,
Henderson,	Stewart,
Heyd,	Taylor,
Hughes (Victoria),	Thompson (Haldimand & Monck),
Kendall,	Thomson (Grey),
Kidd,	Tolton,
Lancaster,	Wilmot,
LaRivière,	Wilson—50.
Lavell,	
Lavergne (Montmagny),	

NAYS :

Blanchet,	Logan,
Borden (Sir Frederick),	Loy,
Brodeur,	Mackie,
Brown,	Macpherson,
Bruneau,	McColl,
Calvert,	McIsaac,
Champagne,	McLennan,
Cowan,	Marcil (Bagot),
Demers (Lévis),	Marcil (Bonaventure),
Demers (St. John),	Mignault,
Fisher,	Préfontaine,
Fitzpatrick,	Reid (Restigouche),
Galliher,	Riley,
Gauvreau,	Roche (Halifax),
Girard,	Ross (Yukon),
Harwood,	Russell,
Johnston (Cape Breton),	Scott,
Johnston (Lambton),	Sinclair,
Lang,	Tolmie,
Laurier (Sir Wilfrid),	Tucker,
Lavergne (Drummond & Artha.),	Turgeon,
Law,	Wade,
LeBlanc,	Wallace,
	Wright—47.

Amendment (Mr. Puttee) agreed to, and Bill referred back to the Select Standing Committee on Miscellaneous Private Bills.

SPRAGUE'S FALLS MANUFACTURING COMPANY.

Bill (No. 42) respecting the Sprague's Falls' Manufacturing Company, Limited.—Mr. Ganong—considered in committee and reported.

On motion for the third reading.

Mr. BRODEUR. I would remind the hon. member for East York (Mr. Maclean) that the original charter contains a clause similar to that which he sought to strike out in the Ottawa Electric Company's Bill.

Mr. HAGGART. That does not appear in the Bill.

Mr. BRODEUR. It is in the original charter.

Mr. MACLEAN. Two wrongs do not make a right. Does this company enjoy a public franchise ?

Mr. COWAN. Certainly ; the Sprague's Falls,' with power to expropriate the water-power. The Bill was passed about three years ago, and they are now back for an extension of time.

Mr. MACLEAN. It has not made an agreement with the corporation yet.

Mr. COWAN. I have a very distinct recollection of this Bill coming before the Private Bills' Committee.

Mr. CLARKE. If this Bill proposes to give this company any power to expropriate another company that has a contract with a municipality, and under which the municipality might be mulcted in heavier tolls or charges, it should stand until we get information from the promoter of the Bill.

Some hon. MEMBERS. No.

Mr. CLARKE. Oh, yes ; we should treat them all alike. If this Bill proposes to do what the other Bill proposed then it should be treated in the same way.

Mr. CLANCY. Is the Minister of Inland Revenue prepared to say that it contains the provision the hon. member for Toronto (Mr. Clarke) refers to ?

Mr. BRODEUR. I have been informed that it is the same provision.

Mr. CLARKE. Then it had better stand.

Mr. HENDERSON. I fail to see any similarity between this Bill and the contested clause in the Ottawa Electric Company's Bill. No new powers are asked for under this Bill and it merely applies for an extension of time. Can the Minister of Inland Revenue, with all his astuteness find a parallel clause in this Bill to the clause objected to in the Ottawa Electric Company's Bill ?

Mr. BRODEUR. I understand the decision of the House to be that we should not per-

mit any company to subscribe to stock in any other company.

Some hon. MEMBERS. No.

Mr. BRODEUR. If we decide to adopt that policy towards one company we shall have to adopt it towards all the companies. That is why I took upon myself to call the attention of the hon. member for East York (Mr. Maclean) to it.

Sir WILLIAM MULOCK. Before the Bill is read a third time it seems to be advisable that we should have this point made clear. It has this moment been raised for the first time, and I do not know that it is necessary for the provision to be exactly on all fours with the provision to which exception is taken in the previous Bill in order to have such a company as this, objected to. If the House desires to be consistent I would suggest that the Bill be allowed to stand until a later day in order that the point may be looked into. If that is agreeable to the House I shall move the adjournment of the debate.

Mr. HAGGART. Perhaps the Minister of Inland Revenue (Mr. Brodeur) would read the clause, as he has it now.

Mr. BRODEUR. It reads :—

Acquire the shares, debentures or securities of any other company.

Mr. CLARKE. I think the suggestion of the Postmaster General (Sir William Mulock) is timely. This is a matter that ought to be investigated and if the same objections can be urged to this Bill as to the other, both should be treated in the same way.

Mr. FITZPATRICK. What is the objection ? Is it to be settled here finally and conclusively, that no company is to be organized with the power and right to buy shares in another company ? If that is to be the settled policy of this House I wish to have an opportunity to say something about it.

Mr. CLARKE. I do not understand that that was the decision reached by the House a short time ago. I understood that the objection then raised was that the power to buy these shares would practically void an agreement between the city of Ottawa and the company whose shares were to be acquired, and that the proposed consolidation would entail serious loss to the municipality. On that ground the action of the House was taken.

Motion (Sir William Mulock) agreed to.

WEST CANADIAN COLLIERIES ACT.

On the order being called for

The House to go into committe on Bill (No 80) respecting the West Canadian Collieries, Limited.—Mr. Oliver.

Mr. M. K. COWAN. Mr. Speaker, before you leave the chair I desire to move in amendment that this Bill be sent back to the Private Bills Committee for further amendment ? This is an Act incorporating a company already incorporated in England, and the solicitors in charge of the Bill advised me that by inadvertence they neglected to put in a couple of clauses which are necessary to enable them to properly organize the company under the laws of Canada. The promoters and solicitors have asked that the Bill be referred back in order to insert a couple of clauses purely and simply regulating their own domestic arrangements. I therefore move :

That the Bill be referred back to the Private Bills Committee.

Motion agreed to.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill (No. 116) respecting certain patents of Canadian General Electric Company, Limited, and others.—Mr. Grant.

Bill (No. 106) to incorporate the Chicoutimi and Northeastern Railway Company.—Mr. German.

Bill (No. 109) to incorporate the Montreal, Nipissing and Georgian Bay Railway Company.—Mr. Campbell.

SECOND READINGS.

Bill (No. 120) respecting the Montreal Terminal Railway Company.—Mr. L. P. Demers.

Bill (No. 121) respecting the Century Life Insurance Company.—Mr. Morrison.

Bill (No. 123) to incorporate the Kingston and Dominion Central Railway Company.—Mr. Harty.

Bill (No. 130) respecting the Huron and Ontario Railway Company.—Mr. Wm. Ross (Ontario.)

Bill (No. 131) to incorporate the Farmers' Bank of Canada.—Mr. Guthrie.

QUESTIONS.

BINDER TWINE SEIZURES.

Mr. CLANCY asked :

What expenses, if any, other than cost, if any, have been paid to or through the government, or to or through an agent or officer of the government, in each case, by the following persons or firms, in addition to the fines imposed, in the cases of the seizures of binder twine, since the first day of January, 1902 :—Wilber Hutchinson, Manager Fairchild Company, Winnipeg ; Alexander D. Nasmith, Wawanesa, Manitoba, Lyttle & Jickling, Carmen, Manitoba ; Charles Lunn, Winnipeg ; Blakeman & Scarth, Virden, Manitoba ; E. H. Howes, Moosomin ; A. F. Reinecki, Regina, N.W.T. : J. W. Morton, Regina, N W.T. ; J. J. Heaslip, Alameda, N.W.T. ; H. Donaldson, Winnipeg ; William Heath, Winnipeg ; W. G. McMahon, Winnipeg ; M. J. Wilson Cordage Company, Chatham, Ontario ; International Harvesting Company.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). No expenses have been paid to or through the government, or to or through any agent or officer of the government in any of the cases mentioned, with the exception of that of the M. J. Wilson Cordage Company, of Chatham, Ontario, in which case there was paid to the agent of the Department of Justice the sum of $245 to cover all expenses and fees in connection with the matter.

DRY DOCK AT FOOT OF LACHINE CANAL.

Mr. GALLERY asked :

1. Has the government received a memorial from the Montreal Board of Trade, asking for the construction of a dry dock at the foot of the Lachine Canal, in the Harbour of Montreal, and for increased wharfage accommodations ?
2. Has the government considered this request, and has it come to any conclusion ?

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). The government have received the memorial in question but have not come to a conclusion.

CANADA-FRANCE STEAMSHIP SERVICE—ARRIVAL OF THE 'MALOU.'

Mr. CASGRAIN asked :

1. Is the government aware that a steamer called the 'Malou' has recently arrived at Montreal from a port in France ; and that it is claimed that the said steamer is one of the steamers put on the line between Canada and France, in accordance with a contract entered into between the government and Mr. Colombier, during the last session of parliament, and towards the establishment of which line parliament voted a subsidy of $133,000 a year for ten years ?
2. Is it the intention of the government to recognize that the said Colombier has begun the fulfilment of the obligations of the said contract by putting the said steamer on the said line ?
3. If not, why not ?
4. Has the government notified the said Colombier, or any company to which the said Colombier has transferred the said contract, that it is the intention of the government to cancel the said contract ?
5. If so, at what date, and by what means ?

Right Hon. Sir WILFRID LAURIER (Prime Minister).

1. The government have no official information with reference to the arrival in the port of Montreal of the steamer 'Malou.' The government is aware, not from official, but from other sources, that the 'Malou' will be one of the steamers to be chartered under the contract made between Mr. Colombier and the government.
2. It is not the intention of the government to recognize that Mr. Colombier has begun to fulfil the obligations of the contract by putting the said steamer on the said line.
3. The reason is that Mr. Colombier has failed altogether to carry out most of the obligations under the contract.
4. Yes.
5. Not so far as regards the supposed agent in Montreal. By letter dated 17th May, and personal service on him in France.

RIVIERE OUELLE AND MURRAY BAY FERRY.

Mr. CASGRAIN asked :

1. Is it the intention of the government to continue the ferry service between Rivière Ouelle wharf and Murray Bay during the present season of navigation ?
2. If so, has any contract been entered into with any person or company ; if so, with what person and company ?
3. What are the conditions of said contract ?
4. Has the government any record of the number of passengers carried during last season between the said points ; and if so, what is the number ?
5. What did the said service cost the government ?

Right Hon. Sir WILFRID LAURIER (Prime Minister) :

1. It is the intention provided a suitable steamer can be procured for the purpose.
2. No.
3. Answered by No. 2.
4. No.
5. The subsidy paid last season was $6,000.

ST. ROCH TRAVERSE LIGHTHOUSE KEEPER.

Mr. CASGRAIN asked :

1. Is one Caron employed as a lighthouse keeper at the St. Roch Traverse ?
2. If so, what is his salary ?
3. Is he obliged to remain at the said lighthouse during the whole season of navigation ? Or is he authorized to fulfil his duties through a substitute ?
4. Is the said lighthouse finished ?
5. If not, when will it be finished ?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) :

1. Yes.
2. Four dollars a day, and he is bound to furnish an assistant.
3. He is employed temporarily.
4. This lighthouse is about being finished.

Mr. CASGRAIN. That does not answer question 3.

Mr. PREFONTAINE. Yes, he is obliged to remain, or his assistant must be there during his absence.

PORT ARTHUR AND FORT WILLIAM TELEPHONE.

Mr. MACLEAN asked :

1. What was the reference to the Supreme Court of the decision of the Railway Commission in the Port Arthur and Fort William telephone application ?
2. When was the reference made ?
3. Is there any provision in the law whereby the court will give a speedy decision in such cases ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

1. The reference contemplated was as to whether the decision of the board on the legal question was involved was good law.

2. The reference has not been yet made. The offer by the board to make the reference took place on the 22nd day of March, the next meeting after the decision rendered, but the applicants have not yet decided to take the reference.

3. There is nothing in the law to prevent the Supreme Court from giving a speedy decision in such cases.

I.C.R.—PASSENGER RATES.

Mr. CLARKE asked:

1. What is the local passenger rate per mile in effect on the Intercolonial Railway?

2. What is the through passenger rate per mile in effect from Montreal and Quebec to Atlantic ports?

Hon. H. R. EMMERSON (Minister of Railways and Canals). I have not received this information yet from Moncton. I have sent for it.

Mr. CLARKE. Let the question stand.

Question allowed to stand.

THE FINANCES OF CANADA.

Mr. HAUGHTON LENNOX (South Simcoe) moved:

That a Select Committee of eleven members of this House be appointed to prepare and introduce a Bill to consolidate and amend the Acts respecting the public revenue, the control and administration of public moneys, the raising of loans authorized by parliament, and the auditing of the public accounts, with power to send for persons, papers and records and that the right honourable the leader of the government be authorized and requested to name the members of the said committee.

He said. Mr. Speaker, I regret that, dealing with this important subject, I have to begin the discussion at this late hour of the night. But, as there might not be another opportunity for dealing with it, I think it advisable to discuss it, even though I must necessarily do so at some disadvantage, speaking to a House wearied by a long day's work. In calling the attention of the government to a question of the amendment and consolidation of the Revenue and Audit Acts, I feel that I am directing their attention to a subject of importance; and I hope to be able to give such information to the House or bring such matters to the attention of the House as will probably convince the government that there is immediate necessity of doing something in the line of improving the Audit Act, which has now been in force for over a quarter of a century. The hon. gentleman will recollect that the Audit Act is the creation of a Liberal government. It was introduced by the present Minister of Trade and Commerce (Right Hon. Sir Richard Cartwright) as a member of the Mackenzie government in 1878. And on the 1st of August of that year the present occupant of the position of Auditor General began the duties of his office. Of course, it was, to some extent an experiment; it was a copy of an experiment, because, in 1866, the English parliament had adopted an Act of which ours was largely a copy. We have, therefore, not only an Act that has been in force in this country for twenty-five years, but we have practically an Act that has been in force for forty years. An Act not originating in our own country, but a copy of the English Act, for which reason also we might anticipate that the time has arrived when some amendment may be required. It is true that our system of government is similar to the British system, but our conditions are dissimilar. This affords another reason why it may be time to take stock of the situation and see whether, after the time that has elapsed since this Act came into force, and the great development that has taken place in the meantime, it may not be proper for the government now seriously to consider and amend the Act.

In 1878, when this Act was introduced, our total expenditure was, in round numbers, $30,000,000; in 1903 our total expenditure has doubled, and is upwards of $60,000,000. We had, from 1874 to 1878, an average expenditure of upwards of $32,000,000, and when this Act was introduced by the right hon. the Minister of Trade and Commerce (Sir Richard Cartwright) he considered that the question of the amount of the expenditure was important in the consideration of what precautions we had to take in reference to the audit of the moneys of the country. Some hon. member then remarked to the present Minister of Trade and Commerce: Why, in your time there was no audit at all. He said: We did not need an auditor, because then our expenditure was $14,000,000 less than it is now—in 1878. It was not $14,000,000 less, it was $10,000,000 less, but a matter of $4,000,000 or so, in speaking of the finances of the country, was not very wide of the mark for the Minister of Trade and Commerce. In 1878, at all events, all parties were united in the opinion that in view of the existing condition of things, with an annual expenditure of $30,000,000, it was necessary to have a strict Audit Act. If it were necessary then, and the question of the revenue was important, surely it is exceedingly important that now, with our present enormous expenditure and with the possibility of greatly increased expenditure in the near future, by reason of the construction of a national transcontinental railway, when we will be handling money upon a scale that has never existed in Canada before—it is important, I say, that we should to-day see to it that in every way the control of the finances of the country is as it should be. The object of an Audit Act in 1878, so far as I can gather from the

speeches made a perusal of the Act itself, was that we should have a financial policy controlled by parliament, and that we should have a financial executive administration absolutely controlled by a servant of parliament. Up to that time we had a combination of the Finance Department and the Audit Department, and it was found that that system did not work satisfactorily. The audit, in fact, was under the control of the Finance Minister. When this Act was introduced in 1878 the hon. gentleman who introduced it promised a complete separation to all intents and purposes of the position and duties of the Finance Minister and the Auditor General. He promised that so far as it was necessary to maintain an independent audit, we should have an independent auditor. Time went on. Only a short time after the present Auditor General took the position there was a change of government. But matters progressed fairly well, and we found this fortunate state of things, that for many years the Auditor General had the confidence of both parties in parliament and the support of both parties. I am not intimating that the Auditor General has not, to a large extent, the same support yet, except when it comes to matters which affect the financial management of the affairs of the country. The experience of the last few years has shown that complete harmony in that regard does not exist. In 1896 we had the judgment of the hon. gentlemen who at present control the affairs of Canada as to the importance of the duties of the Auditor General, the great value of his services to the country, and the desirability of raising his salary to $4,200, as expressed by the gentleman who originally introduced the Act, namely, the present Minister of Trade and Commerce.

Now, the Auditor General has been and was intended to be more than a mere auditor, something more than an officer who could cast up accounts and see that the additions were correct. He was intended to be a controller as well, a check upon the executive administration of the government in respect to finances. This was made abundantly clear by the gentleman who introduced the Act and by those who supported it at the time, and it is also clear by the wording of sections 32 and 33 of the Audit Act in particular, and other sections as well. In 1880 it was found advisable to enlarge the duties of the Auditor General, and Mr. Kirkpatrick moved a resolution accordingly. In 1888 an increase of salary was voted to the Auditor General, amounting then to $4,000. Several hon. gentlemen then prominent in the House—Mr. Edgar, Mr. Mills, Mr. Weldon, Mr. Casey and the right hon. gentleman who leads the House (Sir Wilfrid Laurier)—were very emphatic in the declaration of the importance of sustaining the Auditor General and preserving his functions entirely distinct from the control of the administration, of making him emphatically an officer of parliament, and of giving him that control over the finances of the country which would practically do away with the possibility of any improper expenditure of money on the part of the executive administration. In 1895 the Hon. Mr. Mills introduced a petition asking that the decision of the Minister of Finance should practically be revoked in favour of the Auditor General, and that notwithstanding that the Minister of Finance had determined that he could not at that time afford it, the promotions suggested by the Auditor General, this ought to be ordered.

It seemed to be the opinion of Mr. Mills and those who supported him then that not only should the Auditor General be generally sustained but that his suggestions should practically override the views of the Minister of Finance as regards a question of policy. In 1896, and that will end the matters of review I have taken the opportunity of referring to, we had the right hon. Minister of Trade and Commerce again emphasizing the important duties discharged by the Auditor General and suggesting that so valuable had his services become that it was deemed expedient to have the present Senator McMullen read to the House from cover to cover both volumes of the Auditor General's report. Now, this appears to indicate very clearly the views of both the great parliamentary parties as to the functions and duties of the Auditor General and the importance of sustaining his hands and of giving him large powers not only in the interests of the country but of whatever political party may be in power. The more fully the Auditor General is enabled to carry out his views in regard to a careful and prudent executive administration of the moneys of the country the more fully can the government in the end be endorsed by the people who are scrutinizing their acts. I therefore approach this question, as far as a party man can approach a question of this kind, with an honest desire not to make it unnecessarily or unduly a party question. I recognize that in dealing with a matter of this kind I must refer to instances which go to show the necessity for a change and I will naturally refer to instances which are somewhat modern. In doing so I will come to deal with what appears to show the errors of the present administration rather than the errors of the preceding party. But, I am in this singularly happy position that whereas we do not like the tu quoque argument as a rule I will be delighted to have hon. gentlemen opposite instance the delinquencies on the part of those who preceded them of the former administration because the greater the number of instances that are shown of failure to carry out the intention of the Act the more effectually have I placed my case for the consideration of the government. For if I instanced failures of the Act in regard to the present government

alone and there were none during the period when the party I support were in power, it might be said that these were owing altogether to the gentlemen who are now in power. I do not think that will be found to be the case, but I think on the other hand I can safely leave in the main instances that appertain to the former administration in the hands of the members of the government and their supporters. Now, are we still of the same opinion as we were in 1878 and down to 1896, as to the paramount importance of having an officer, who, on behalf of parliament and the people shall check and restrain the financial administration—I should say the executive financial administration—as distinguished from the financial policy of the government? I have said that for many years the system worked fairly well. I say now advisedly, and I do not do so at all offensively, that it is practically a dead letter. I say in mitigation of that that it could hardly be otherwise. The Act carried in it the germs of its own failure and when we get an Act of that kind which has stamped upon its face or engraved on its sections, the elements which go to make it unsuccessful, the more time advances, the longer it is in operation, necessarily there will grow up a greater number of precedents and exceptions to its rule so that in the process of time it will be practically a dead letter as it is to-day. Now, I say it could not work satisfactorily because there are certain exceptions which appear to the main sections giving the Auditor General a semblance of power, but which still leave in effect the whole difficulty which the right hon. Minister of Trade and Commerce spoke when he introduced the Bill. We have not done away with the controlling power of the Finance Minister; we have not separated the Finance Minister from the Auditor General and in the present administration the Finance Minister is still king. I will refer as to this to section 32:

> No cheque for public money shall issue except upon the certificate of the Auditor General that there is parliamentary authority for the expenditure, save only in the following cases:—
> (a.) If, upon any application for a cheque, the Auditor General has reported that there is no parliamentary authority for issuing it, then upon the written opinion of the Attorney General of Canada, that there is such authority, citing it, the Minister of Finance and Receiver General may authorize the Deputy Minister of Finance and Receiver General to prepare the cheque, irrespective of the Auditor General's Report.

By that subsection of section 32 alone, I submit that we failed very significantly to carry out what was supposed to be the object of the Bill. Mr. Mitchell said on the occasion of the introduction of this Bill:

> This Bill gives us another Governor.

Meaning the Auditor General. But, the right hon. Minister of Trade and Commerce said:

> No, it gives the Minister of Finance and not the House a Governor, I am inclined to think.

If that had been the effect of the Act—I would not say a governor of the Finance Minister—but I say that if the effect of the Act had been as anticipated by the right hon. gentleman who introduced it so many difficulties as we have to point out would not have arisen. Clause B provides for emergencies, and I am not disposed to quarrel about that clause. Clause C dealing with the Treasury Board, worded as it was, was almost necessarily a fatal blow to the efficient carrying out of the Act. Many difficulties have arisen under that clause and under the following section 33. These difficulties were anticipated by Sir Charles Tupper when the Act was first introduced, and time has proven that he was right. Mr. Tupper said:

> The difficulty that appears to present itself to my mind is this: you are preparing to give the public an independent parliamentary officer, but who is to see before the payment of public money that under the law it is entitled to be paid? If you leave the government power to override his decision and pay the money, what then is gained by the Act?

Our Audit Act is to some extent a copy of the English Act. I am aware that there is a movement in England to improve their Act, but even if there were not, the conditions are so different in Canada, that I am inclined to think that an Act giving the Auditor General (or comptroller as he is called in England), less power than we would give our officer here, might be effectual in England and not be effectual in Canada. As a rule, politicians occupy a different status in Canada from that which they occupy in England, and I am afraid we will have to admit that in Canada politicians and governments hang on to their positions more tenaciously than they do in Great Britain. Section 32 of the Act could not be expected to give reasonable satisfaction, because the application for money or for a credit as the case may be never originates with the Auditor General, but always with the department. It is the application of the department, or in fact of the government on one hand and the Auditor General on the other hand. If a cheque is refused an appeal is made by the department, and to whom is this appeal made? Why, it is made to the very gentleman who is prosecuting the appeal. The Treasury Board consists of the Minister of Finance, the Minister of Customs, the Minister of Inland Revenue, the Minister of Justice, the Secretary of State and one other member of the Privy Council with the Deputy Minister of Finance as secretary. It is essentially the government on a smaller scale. And it is the minister, who applies for and is refused a cheque, and his associates to whom the appeal is made. The only difference is that the minister who made application for the cheque has less direct responsibility than otherwise. He throws upon the shoulders of several the

responsibility which he otherwise would have to assume, and as no reasons are given by the board, and the mere announcement of the decision is all that is of record, he is not personally responsible in the matter. Time has shown that this provision has not worked satisfactorily and more and more from time to time inroads are being made on what was supposed at the time to be an adequate protection for the people. We are now at the stage when we must consider whether we are going to practically abandon the theory of a controller in the financial and executive sense as distinguished from the political sense. Section 33 has occasioned a good deal of conflict of opinion. My main object in proposing this motion is to secure a committee that will take into consideration and revise the whole general scheme of an Audit Act. Suggestions have been made from various quarters, and more especially by the Auditor General himself, who has very great experience for over a quarter of a century, in the working of the Audit Act. We occupy in this matter the unique position that we cannot to any great extent find precedents in other countries, and so far as I know we could get any very valuable information by making inquiry abroad.

Decided changes in the 32nd and 33rd sections are required and we also require a number of minor changes as pointed out by the Auditor General in a suggested Act that appears to have been prepared in 1889, I do not know at whose instance. The lines of authority as between the Auditor-General and the various departments should be more clearly defined so that there shall not be the uncertainty that has existed in the past as to the duties of those who have the initiation of the disposition of the money and of the Auditor General, who is intended to have, to a large extent, the control of the money. Either amendments along these lines should be made to the Civil Service Act, the Public Works Act and the Railway Act or the Audit Act should be amended in such a way as to govern these other Acts and avoid constantly arising difficulties. Take for example the question of tender. Tender is a farce to-day in the Dominion of Canada ; it is not even provided that contracts are to be let by tender, much as we discuss that subject when considering the estimates. Not only in certain matters affecting the Department of Railways and Canals, and whether tenders are asked or not, once a contract is let, however outrageous its terms may be, the contention of the departments is that there can be no inquiry into the prices that are being paid. Some twenty-five of the eighty sections of the Act require the consideration either of the government or of a committee.

We want also a more expeditious publication of the Auditor General's Report. This report ought to be published in sections according to departments ; as rapidly as reports of these departments are prepared they ought to be placed in the hands of the representatives of the people, before they assemble in parliament, so that members can familiarize themselves with their contents and be able to intelligently discuss them in the interests of the people. I am not alone in thinking this. In 1887 parliament met on April 13, and the right hon. the Minister of Trade and Commerce (Sir Richard Cartwright) on the 15th insisted upon having the Auditor General's Report then. In 1886, parliament met on Friday, the 19th, and on Monday the present Senator McMullen made a violent statement in reference to the necessity of members of parliament having these books in their hands at an early date, although the time had not arrived according to the statutory requirements. Whatever other changes may be made, I think the decisions of the Treasury Board should be made public in the same way as the Blue-books are distributed. They should be published from time to time and distributed so that the people should know exactly what attitude has been taken in reference to the moneys belonging to the country. The Auditor General suggests that the occupant of the office should be styled the Controller and Auditor General. The corresponding officer in England is so called. The Auditor also advocates a Canadian exchequer account corresponding with the English exchequer account.

In support of the position I have taken it will be necessary for me to refer to some instances in which I think the Act has not worked satisfactorily. The provisions as to tender have failed to accomplish the purpose intended. I understand that it has been said by members of the government that I am seeking to invade the sacred region of responsible government by the motion that I propose. If that is so it is rather a peculiar departure, because I belong to a party which is not given to that kind of thing. I am not wedded at all to the proposition which I make ; I ask the right hon. gentleman (Sir Wilfrid Laurier) who leads the House, by my motion, to name a committee to consider this matter and probably to bring in a Bill amending the Act. It is important that we should have such a Bill. I could have brought in a Bill myself and have submitted it to the House, and the House would then doubtless have entertained it and probably have referred it to a special committee. I do not know that there is any radical departure from the principles of responsible government in asking that a committee of members of the House shall assume the duty of investigating such a matter as this and reporting it to parliament leaving it to parliament in

its wisdom to either accept or reject it. At all events I was guided in the first instance by a reference to rule 39, which says :

Every Bill is introduced upon motion for leave, specifying the title of the Bill ; or upon motion for a committee to prepare and bring it in.

I was guided further by searching the journals of the House and finding instances in which this course had been adopted in the past. Among others I found that in 1879, as recorded on page 63 and 64 of the Journals of the House, a motion was made by Mr. Macdonald, seconded by Mr. Bowell, that a committee consisting of fifteen members should be appointed to take evidence and send for papers and documents in order to bring in a Bill with reference to the insolvency law. That was subsequently reported to the House. Last year we had the question of the election laws referred to a select committee and we had the committee on the redistribution of seats. I may also cite another authority, which I think will commend itself to both sides, and that is the precedent set by the British House of Commons in April, 1893, of appointing a select committee on the question of national expenditure. So that I think I may fairly submit that I am not asking for any radical departure from the principles of responsible government when I ask the House to name a select committee to consider a question which is of such immediate importance. For forty years we have had practically the same Audit Act in force, for our Act is founded on one forty years old. Since then our expenditure has doubled, and there is no doubt that our expenditure will be on a vaster scale during the next ten or twelve years.

Before I refer to the Davis contract, I want to say that I hope I shall deal with this question in such a way as not to unnecessarily excite the hostility of the right hon. leader of the government. I should be delighted to stop here and now if the right hon. gentleman would give me an intimation that he will appoint the committee I suggest or any committee. I only name eleven members as a suggestion and I want it to be distinctly understood that I do not consider this a party question. It is one from which we should eliminate politics as far as possible. Coming back to the Davis contract, I wish to refer to a letter which is found upon the first page of the Auditor General's Report, dated at the Auditor General's office, Ottawa, March 9th, 1904.

I have the honour to transmit my report on expenditure accounts, appropriation and statutory, and on revenue accounts, for the fiscal year 1902-3.

The following rather lengthy correspondence is introduced in this place because it illustrates the practical importance of several amendments that this office has been asking for some years to have made to the Audit Act.

This refers mainly to the Davis contract and no doubt also to the Corry and Laverdure contract. I propose therefore to refer to these matters and, as I wrote to the Minister of Railways and Canals the other day, I propose to also refer to the question of the Farran's Point Canal. Mr. McDougall says further.

The magnitude and number of the transactions going through this office are now so increased that I feel parliament should seriously consider also the amendment of the Audit Act along the other lines suggested in a former report, to enable this office to cope with the expansion of the business of the country. I feel so strongly on this point that if parliament does not see its way to bring the matter up this session, I shall at the end of the session ask to be superannuated.

I would like to have brought this matter up earlier, but I was advised not to do so as it would have been overshadowed by the discussion of the transcontinental scheme and would not have attracted the attention it deserves. However, on the 3rd of May I gave notice of the motion which I am moving to-night. Before that, when I had the matter in hand, I referred on the 22nd of April to the matter which I proposed to discuss to-night, in a few sentences which I will take the liberty of reading :

I repeat, and it cannot be too emphatically enunciated, that there is a great constitutional safeguard of the people of Canada at issue in the question we are discussing to-night. If hon. gentlemen who are familiar with the laws and practices of parliament will for one moment reflect, they will see that three great safeguards stand out conspicuously in the constitution of Canada. One concerns the paying out of money of the people of Canada. The great safeguard in reference to that, which prevents the administration to a large extent, though not fully, I am sorry to say, from squandering the resources of the people of Canada, was the institution of the Audit Office, and the administration of that office by the present incumbent. Too much cannot be said of the efficient manner in which that gentleman has administered that office, and of the sturdy and loyal way in which he has stood up for the rights of the people as against the Acts of the present administration.

In some instances, in one instance that occurs to mind, into which I shall not go at present, as large a sum as over half a million dollars was saved to the people by the activity and loyalty of this officer. And even then he failed to accomplish all he thought should have been accomplished on behalf of the people. That is one of the safeguards, which stands out conspicuously.

Now, in the controversy that has arisen between the Auditor General and the Treasury Board and the Department of Railways, although the Auditor General was fought at every point, opposed on every issue—and I must say, not very courteously

so far as the Deputy Minister of Railways and Canals was concerned—in the end, although the Treasury Board overruled the Auditor General on every contention he advanced, and found that Mr. M. P. Davis was entitled to all that he asked, to all that the contract named, and to all that he had sent in his bill for, including the right to obtain payment in some manner for 79 years to come, yet after all that had been done, the government, for some reason as yet unexplained, saw fit to withdraw their decision, to consult with the Auditor General and get him to agree to a substituted contract, a vast improvement it is true upon the contract which was made in 1900, but which yet does not fully secure the interests of the people of Canada. Now the results of that substituted contract carrying out the reversal of the judgment of the Treasury Board, has been that at least three-quarters of a million dollars have been saved to the people of Canada. It will be necessary for me to read a portion of the memorandum of the Minister of Railways and Canals upon which the Order in Council was made.

On a memorandum dated September 26, 1900, from the Minister of Railways and Canals representing that, in the opinion of the chief engineer of the Department of Railways and Canals, in which he (the minister) concurs, it is highly desirable that the system of electric lock operation and electric lighting which has been satisfactorily adopted on the Soulanges canal and is about to be adopted on the Lachine canal, should be brought into use on the Cornwall canal, where facilities for the creation of the necessary power already exist.

The minister further represents that under lease, dated June 25, 1896, issued to Mr. Michael P. Davis, the following provisions are inserted :—

I am not reading continuously, I am paraphrasing to some extent.

That the lessee shall apply electric power to the satisfaction of the Chief Engineer of Railways and Canals for the working of all the locks on the Cornwall canal at $63 per horse power per annum ;

That the lessee shall also supply and work electric direct current arc lights of not less than 2,000 candle power, in perfect working order, at such points and in such number as shall from time to time be deemed necessary by the chief engineer aforesaid, running all night wherever so required, along the canal, at the rate of 30 cents a night. The minister recommends that in pursuance of the said lease, provisions, he be authorized to enter into a contract with Mr. M. P. Davis for lighting the Cornwall canal, the number of lights not to be less than 250 arc lights of 2,000 candle power, or more than 270, at the discretion of the Department of Railways and Canals, to be paid for at 30 cents per lamp for each night during which the light is required and supplied ; further, for the supply of electric power for the operation of the lock gates and valves, and of bridges throughout the said canal ; the amount to be paid for such service to be $63 per horse power per annum for a minimum of 400 horse power.

The minister says that it is highly desirable that this contract should be entered into. Why it was highly desirable I have been at a loss to ascertain. Was it for economy ? It may have been, but it is pretty hard to make that out. Whatever else the government have failed in—we all fail more or less—the present administration I suppose have not failed in the matter of economy—rigid economy, I expect those hon. gentlemen on the back benches would say. Rigid economy in every department of the public service is still the warp and woof of the banner of the Liberal party. They all appear in that. Now, I have read the memorandum of October 9, 1900, that was to adopt the contract for 21 years. We cannot have too much of a good thing, and consequently on October 16, 1900, an Order in Council was made—

On a memorandum dated the 15th of October, from the Minister of Railways and Canals, recommending that the Order in Council of October 9 authorizing the entry into contract with Mr. Davis in respect to the lighting, &c., by electricity of the Cornwall canal, be amended to such effect that the terms of 21 years therein named as the terms of said lease may be extended by successive renewals to July 1st, 1979, thereby bringing it into conformity with the lease the water power granted to Mr. Davis mentioned in the said order.

Now, what was our position in November, 1900, at the time when the contract was entered into ? We were paying, for the year which ended on 30th June, 1900, salaries, wages, care and operation of the Cornwall canal $18,181, and we were paying for lighting $342, a total of $18,423. Mr. Davis had a terminable lease. We were receiving $1,000 and we were carrying out a policy which was inaugurated many years ago of giving leases along the canal for the purpose of developing the power and so encouraging industrial life along the various canals ? The rental, it is true, was not very much, but the benefit to the country was considerable in that way. Light and energy were available under the contract that existed at that time, in which it is recited that we can take that light from Mr. Davis and can procure electric energy from him if we desired it,—we could take it or not as we preferred. And there had been nothing done under the terms of the contract, so that, if the government had seen fit to terminate the lease in 1900 they could have done so without the sacrifice of a dollar. It was provided in the agreemnt entered into in 1896:

Provided always that these presents are upon the express understanding that the lessor reserves the right as follows, namely : If, at any time hereafter, the land hereby demised and the quantity of surplus water leased or which may hereafter be leased, according to the intent and meaning thereof or any part thereof, are or is required for the use of the canal or for any other purpose whatsoever, or if the lessor shall elect to take over any and

all buildings and works or erections constructed upon the land hereby demised or the increased flow of water so passing or to pass through the works of the said lessee through Hoople's creek, and to take over any and all works and land through which the said increased flow of water passes, thereupon on reasonable notice (not less than twelve calendar months) being given to the lessee to that effect, this lease or lease for the term then current and all the covenants, privileges and rights of the said lessee shall cease and be void, and the lessor shall pay the then value of all such buildings, lands and works with an addition of five per cent thereto, that may be at that time erected or connected therewith and belonging to the lessee ; and that in default of agreement as to the valuation of such buildings, lands and works, their value shall be ascertained by three arbitrators, one to be chosen by the Minister of Railway and Canals, another by the lessee, and the third by the two arbitrators so chosen, and the award of the said arbitrators or any two of them after hearing the evidence offered by either party shall be conclusive as to such value.

As I say, nothing has been done, no building had been erected and the government were in a position—I am not saying they were bound to do it, but they were in a position if they saw fit—to terminate the lease. It was, as far as I can see—it will to be for the government to give their pronouncement on the matter—a prudent lease. It provided that so much of the surplus water, if any, at lock 30 level at Cornwall canal, as the lessor might deem advisable after navigation and existing mills and mill sites hereafter to be leased shall be supplied, should be granted to and taken by the lessee. It appeared, I say to be a prudent lease. I suppose I need hardly anticipate that the government will say it was not a prudent lease in face of the fact that they afterwards implemented it and put it in operation by fixing prices and entering into the contract to which I will now refer.

It will be necessary for me to read but few clauses of this lease. Let me read first the recital :

An agreement made this nineteenth day of October, one thousand nine hundred, between Her Majesty the Queen represented herein by the Minister of Railways and Canals, acting under the authority of an Order in Council dated the ninth day of October, A.D. 1900, as amended by Order in Council dated the sixteenth day of October, A.D. 1900, of the first part ;

And Michael P. Davis, of Ottawa, in the county of Carleton, contractor, of the second part ;

Whereas, by indenture No. 12,336, dated twenty-fifth day of June, 1896, made between the parties above named, the said Michael P. Davis among other things agreed—

—to supply certain electric power and also electric light at 30 cents per night per light, as by reference to the indenture will more fully appear. It provided that the said Michael P. Davis should supply such light from 1st May, 1900, and current for power from 1st October, 1901. The agreement, so far as the light is concerned, was extended by the deputy Minister of Railways and Canals to 1st August, 1901. It was extended by the acting Minister of Railways, under Order in Council to 1st October, 1901, and it was extended to the 15th November, 1901, by the Minister of Railways and Canals. It was provided further that nothing herein shall be taken to vary other than as above specifield or provided any of the provisions of the last indenture. I have read over the clauses which are material for the purpose of reference later on. Now, it is stated in the minute presented to the Governor in Council that the Soulanges canal had been found to work satisfactorily. This was a case of government ownership and operation. And it is a proper inquiry in this regard to ask why it is that, if the Soulanges canal was working satisfactorily under government control and operation and was costing a comparatively small sum of money, why it was that the government thought it necessary to incur this enormous expense of some $52,000 a year involved in this new contract and more than $52,000 a year when the matter would be in full operation, perhaps—why it was that the government thought it necessary to enter into this new contract making necessary this large expenditure of money.

Now, taking the highest estimates of Mr. Munro, the superintending engineer at Coteau Landing and Mr. Hoffmeister the resident engineer with the electrical company on the Soulanges Canal, the total expenditure for the operation and interest account of the Soulanges Canal would not exceed $11,700 a year. We have made a change and what did we affect by the change ? Instead of paying at the outside some $18,000 a year all told, for the operation of the Cornwall Canal, and I will show that the average operation for the last seven or eight years has not amounted to such a large figure as I have mentioned, we incurred an additional expenditure—not a complete expenditure—of about $52,000. We undertook to take 250 lights every night in the year for 79 years at 30 cents per light per night, wanted or not wanted, used or not used, in contrast with what we were bound to take under the contract entered into in 1896 by which we were to have :

2,000 candle power in perfect working order at such points and in such numbers as is from time to time deemed necesary by the chief engineer aforesaid running all night when required.

In other words, we could take or not take the light just as we liked and we could take just such a quantity as we saw fit. We bound ourselves also to take four hundred horse-power, wanted or not wanted, for the same period of time at $63 per horse-power. This means that for lighting we have 250 x 365 x 30, making $27,275 ; 400 horse-power at the rate of $63

per horse-power, making $25,200, or a total expenditure for these two items of $52,575 a year. Multiply that by the time to which we are committed. Mind you that this not only committed us to an additional expenditure for the time to come, that this did not begin at the end of the old contract which had 17 years to run, but it took immediate effect and put upon us that additional burden for 79 years which would represent, if you multiply the $52,575 by 79, $4,153,425. I will not say that that is the fair way of looking at it. We have to borrow money from year to year and if we borrow the money certainly it will not be less than $4,000,000. However, I do not propose to look at it in that way. I have the figures taken from the public accounts to show the expense of operating the Cornwall Canal from year to year and I will give the years as terminating with the 30th June in each case.

Year.	Total Expenditure.	Lighting.
1896..	$16,128.95	$300.92
1897..	15,791.68	281.23
1898..	13,794.89	318.94
1899..	15,629.44	331.35

Mr. FITZPATRICK. What lighting is my hon. friend speaking of?

Mr. LENNOX. The lighting of the canal as given in the Auditor General's Report.

Mr. FITZPATRICK. It was not lighted at all at that time.

Mr. LENNOX. Well, this is for the light that was used in connection with the operations carried on there. It was not in complete darkness before. You did not carry on your office work in darkness even if you carry on some other matters in darkness. I will go on with these figures for the present and I will refer back to them.

Year.	Total Expenditure.	Lighting.
1900..	$16,204.16	$343.47
1901..	17,044.22	497.03
1902..	16,175.97	.....
1903..	17,013.36	19.00

Hon. gentlemen need not tell me that although that canal was not completely lighted before that there was no lighting at all, because there were some offices that had to be lighted and to some extent they had lights in connection with the Canal. The coal oil bill in 1895, hon. gentlemen will find in the Auditor General's Report to be: 1,268¼ gallons at 16 cents a gallon, $202.92. And electric light at bridges $98. I will not go into these particulars any further. It will be found that the average of the expenditure was not more than $16,000 in the years I referred to and then when you add the present expenditure to the $16,000 I have already referred to the annual expenditure would have been, if the protest of the Auditor General had not prevailed, $70,000 or practically five times what it is to-day.

Let me point out another matter which will eliminate to a great extent the controversy which has been suggested as to whether I am right in my figures or not. Although in 1900 we committed ourselves to an additional expenditure of $52,000 a year for light and electric energy, we did not by that means curtail, in any degree whatever, the working expenses of the canal. The light and the electric energy were both extras; the same number of men have been employed since the new system has been inaugurated; in fact, the public accounts show a rather larger expenditure for wages than before. Without the sanction of this House; without advertisement for tenders; simply by Order in Council, the government saddled us with an expenditure of $52,000 a year for this purpose.

A bill was rendered in April for light and power furnished from October 24 to April 1, 1902, as follows:—212 lights for 158 nights at 30 cents per night, $10.048.80; 400 h. p. at $63 a year for 158 days, $10,-908.50. I mention this, not for the purpose of casting reflections, but because it is a fact which throws light on this discussion; that this money was demanded by Mr. Davis, and we were paying it without receiving one dollar of advantage in return. It is impossible for any member of the government, or supporter of the government; or opponent of the government, to show that for that money claimed in April, 1902, the country was deriving one dollar of advantage. At the time it was rendered it was evident that no officer of the government was sufficiently in charge to ascertain whether the lights were in operation or not. Mr. Wright, who subsequently had something to do with it was not paying attention to the matter, because he did not understand at that time that the government had taken the matter over, and he was not in a position to certify to the Deputy Minister of Railways anything of his own knowledge in reference to it. The account was prima facie dishonest and unfair, because it commences for services rendered on the 24th of October and continuing to the month of April. For long years we had done without any light at all on the Cornwall canal, but now in the winter months, when the gates are closed and when no power is necessary to open them, we have an account for the power to operate these gates. The Auditor General, of course, asked for explanations, and joined issue with the administration as to the right of this country to be saddled with that burthen. The direct issue was the payment of the $20,000, but the indirect issue was as to whether for eighty years to come we should pay in all a matter of about $750,000. But the broad issue was greater still. It was whether we should abandon the prin-

ciples of responsible government and the safeguard of public audit introduced by the Liberals in 1878. Taking the contract of 1900, I have shown that according to its reading, and according to the account presented by Mr. Davis, it amounts to $52,575 a year. That contract has been changed; and the present contract, made in 1903, after the Auditor General had protested, after he had called the attention of the government to various matters which requiring further consideration, after he had called attention to the fact that there had been no tenders called for, the Deputy Minister of Railways took it upon himself to say that there should not be even a certificate that the price was fair and just according to the concluding words of section 33. Well, after the Treasury Board had overruled all the objections of the Auditor General, then the government decided to retrace their steps, and we have a new contract changed in some particulars from the old. We have a contract by which for 243 nights in the year 250 lights are to be supplied at 30 cents a light making $18,225 if they are supplied. For 122 nights 100 lights are to be charged for at the same price making $3,360 and 125 horse power instead of 400 horse power at $63, making an annual charge of $7,875 or a total outstanding charge so long as the present condition of things remains, of $29,760, a saving to the country of $22,815 a year or taking it at its present cash value for 79 years, counting money at 3 per cent, a saving to the country of three-quarters of a million practically, or at all avents of $684,450. The Auditor General has shown that he investigated the Soulanges canal and found it to be practically the same, corresponding in all essential particulars with the Cornwall canal. He found that it was similar in the matter of light and expenditure and he obtained engineers to investigate it. Their report was presented to the government and I am at a loss to understand, when the total operating expenses of the Soulanges canal is not more than somewhere between $10,000 and $12,000 a year including the interest, that we should be justified in paying $30,000 for practically the same work on the Cornwall canal.

Mr. HAGGART. Did you say that included interest on the investment?

Mr. LENNOX. That is the way the Auditor General put it and that is the way the engineer put it. That is the way I understood it. If the Auditor General's figures are correct I would not be satisfied with the $30,000 we are paying under the amended arrangement of 1903.

It is surely a strange proceeding to begin the supply of electric current on the 1st of October. It may be that the government will explain that this is perfectly correct. When the government entered into this contract with Mr. Davis and he was to begin furnishing the light on May 1st, it appeared to be all right but it seems to me to have been very unfair to allow Mr. Davis under that contract to begin supplying electric energy on October 1st. It seems also unfair that the people of this country should have to begin to pay this large amount of $63 per horse power, at a season when for four or five months at all events we would not require it. Under the original contract light was to be furnished by the first of May but that condition was altered and finally there was an agreement that instead of furnishing it on the 1st of May it should commence to be furnished on November 15th, 1901. That date is significant as I shall point out later on. Mr. Davis, claimed that light and power were furnished on October 24. It was one of the questions in dispute between the department and the Auditor General, whether as a matter of fact light was turned out on October 24. If we were discussing this question to-night from a political stanpoint I should ask the government to explain how it is that on October 26th, two days after the date at which Mr. Davis says he turned on the electric lights, keeping them continuously in operation until the month of April following, we find the hon. the ex-Minister of Railways and Canals (Mr. Blair) under the authority of an Order in Council, signing an extension of time for the completion of this work until November 15th.

At all events until the 15th of November or later, there was not a light supplied by M. T. Davis along the Cornwall canal. I think the conclusion is irresistible. I have not gone into the details of the correspondence and the discussions between the Auditor General and the government, but have simply indicated some of the difficulties existing. Mr. Aylesworth, who was consulted by Mr. McDougall, was of the opinion that the Auditor-General was not legally correct in some of the positions he took. But whether the position which he took was on all points sustainable as matter of law or not, it was a position, in the interests of the country, and upon the merits he justified in taking it. Mr. Aylesworth thought the government was bound by the contract, although no public tender was asked, and although he thought the government should have limited the contract to the number of lights actually in use and the number of horse-power. Having regard, however, to the literal construction of the contract, Mr. Aylesworth thought the government are bound to pay. So far as the argument I am now making is concerned, it does not matter whether they were or not, but let me say that much as I admire Mr. Aylesworth's great ability, I am inclined to think that if we look to the initiation of the contract and to the basis upon which it was founded, we cannot come to the conclusion that Mr. Aylesworth is correct in his opinion that the country was bound by the contract entered into in November, 1900. I take this ground,

that when the Minister of Railways, on the 26th of September, 1900, submitted his memo. to the council, he submitted it too upon the basis of a lease which then was in existence, and which provided that the electric lights should be in perfect working order, to be set at such points and in such numbers as the chief engineer shall deem necessary from time to time, and to run all night whenever required. The minister recommends that he be authorized to enter into a contract with Mr. Davis for the lighting of the canal in pursuance of the lease which then existed, and an Order in Council was made upon the basis of the memo. I have read. Then when the new contract came to be made, it is said that the Minister of Railways and Canals was acting under the authority of the Order in Council dated 9th of October, 1900, as amended by the Order in Council dated 16th October, 1900. And it concluded with those words :

> For lighting of the said canal at 50 cents per night per light, as by reference to the said indenture will more fully appear, and be it further provided that nothing herein shall be taken to vary, other than as herein specified or provided any of the provisions of the said indenture.

So that I submit that upon the proper construction of the memo. presented to council and the Order in Council and the contract made in November, 1900, the government never were bound to Mr. Davis, and their proper duty was to have paid him for what he did furnish and put an end to the matter altogether. I do not propose to lay any weight upon the fact that this was entered into on the eve of an election. Politically speaking that may be of significance, but I do not attach any importance to it in the matter with which I am dealing now. I do not attach any great importance to the fact that the Auditor-General claims—whether rightly or wrongly—that at the time this contract was entered into, electric energy was being furnished in Ottawa at $15 per horse-power, instead of $63. This matter is not perhaps of great moment in the question I have brought up, but it is all-important that the contract was let without tender at a time when we had upon our statutes a law requiring tenders to be called. I do not think the government will say that by reason of the existing lease, they were precluded from calling for tenders. That cannot be argued with any degree of force in view of the fact that no work had been done under the arrangement which was entered into in 1896, that it was practically a mere license authorizing Mr. Davis to use the waters of Hoople's creek and get such surplus water as remained after the government had supplied all that was required for navigation, &c.

Seeing that there was a complete and perfect right of putting an end to that contract any day they liked, seeing that electrical development which has progressed in such a marvellous way had made considerable strides in the years from 1896 to 1900, and was yet in its infancy, and it was not desirable that the government should commit itself rashly where the possibilities were so great of even more wonderful achievement from year to year resulting in lowering the prices—under all these circumstances the government will hardly claim that they were handicapped or hindered by the terms of the lease of 1896. However, that remains to be seen. I say it is important then, in view of the evidence we have not only in this matter, but in numerous other matters spread over the pages of the Auditor General's Report of preceding years, that we should take steps not only for the improvement of the Audit Act but also for the improvement of the various Acts under which the government let public contracts not only in reference to railways, where some of the greatest abuses have existed, and of canals which are in harmony with the railways in this respect, but in the matter of public works generally. I think it important also that we should consider very carefully the effect of the provisions, or what were intended to be the provisions of the 33rd section. I barely referred to that before. I want to make only one suggestion before I close—for I have decided, mainly out of consideration for hon. gentlemen opposite, but also for myself, not to give to-night the other matters I referred to ; perhaps there will be another opportunity to deal with these. I will confine myself to this operation and the others to which I have referred. I had overlooked, in the course of dealing with this question, the matter I particularly wished to present to the government, and that is—assuming that the government are of opinion that there can be and there ought to be some change in regard to the management of the finances of the country—the need that exists for giving some more effective control to the Auditor General or, if not a more effective control to the Auditor General yet, less power to the Treasury Board which is practically the administration. In case the government are of opinion that it is a matter worth considering, I might suggest that something might be done in the direction of committing some matters of the department to a court, say the Exchequer Court or the Supreme Court, not by way of a trial but by way of a reference, just as if matters were referred to the Treasury Board. I anticipate that I may very well be met with the objection : Surely that is the invasion of constitutional government ; are you going to suggest that we should carry on the administration of the affairs of Canada through a legal tribunal ? It does seem to have a very significant bearing upon the argument. I feel that there

may be some force in the argument, but the matter is for the government to consider. I am not as strong an advocate of judges as I used to be. There was a time when I thought we could wisely commit even the distribution of our seats in this House to the judges. I remember I used to argue that when I was young, up in the country. But I do not think so now.

Mr. FITZPATRICK. But there is a good time coming.

Mr. LENNOX. Well, of course, it goes without saying that I would rather depend upon the Conservatives in power. But I would infinitely rather depend upon the present administration or any administration, than upon judges in matters of that kind. But, yet, in this matter, which, probably, does not involve a question of political expediency or policy, which pertains to a matter of detail to a large extent very often involves a very nice question of law, and, as a matter of executive administration, I am not sure at all that that might not be a line which could profitably be pursued. I make the suggestion so that the government may consider the matter ; or, if the matter gets to committee, the committee will have it before them and it will come up for further consideration. Now, I think I am right in assuming from what I have shown that there is a necessity for reconsidering this question. And I am strongly in favour—every man in this House is entitled to his own opinion—of enlarging to some extent the powers of the Auditor General. I am not speaking of the present officer particularly. I have a great deal of faith in him. I have so much faith in him that I would like to see the Auditor General who is in office to-day or any succeeding Auditor General receive a much larger salary than he receives. I think we should give our Auditor General a large salary, and that that salary should command the service of the best man of that class in the country, the class whose minds run in the direction of finances. I am in favour of extending the power of the Auditor General, but more particularly of defining clearly the limits of the powers of the Auditor General and of those with whom he comes in contact and to give to the public ready, prompt, and complete information from time to time of what is transpiring between the government and this official. The more you extend the power of the Auditor General in the hands of a suitable man,—within reasonable limits—the more satisfactory will be the management of the money of the country and the more satisfactory account will the administration be able to present to the people of the country.

I am convinced that many times departmental matters are put through by a department which the government, as a whole, probably would rather had not gone through, but the government has to take the responsibility of them as a whole. I believe that the trend is towards the enlargement of the powers of officials standing in this relation to the government. I have inquired in reference to France and Germany, and have not been able to get the information ; and therefore, like the Minister of Justice, I won't try to talk about a thing that I know nothing about. In regard to the United States, I have looked over a consolidation of their statutes, and it appears to me that they manage this matter in a way that might be beneficially considered in Canada. I do not think we should take our methods from the United States, but we need not hesitate to look anywhere for suggestions. I understand from reading their statutes that they have six auditors and two comptrollers. The chief controller appears to have a staff of officials, for instance, engineers and architects whom he brings to his service from time to time for the purpose of acquainting him with what is going on, and giving him correct estimates. We might find that unduly expensive in our case. But the controller of customs also has the right to say whether an account shall be passed, and he can at any time, within a year after it has been investigated by his subordinates, that is by the auditors, finally determine the matter himself, and this binds the executive department. In addition to that, it appears that after that remedy has been adopted by the controller, it is for the individual who is affected, the contractor, to bring the matter into the courts to have it determined. If the United States is entitled to a verdict, then the controller is justified, if not, he is overruled by the courts.

I will refer to only one other country which can give us any basis upon which to form an opinion, except such circumstances as exist within our own country. I find that so far as I can judge, the tendency in England is to extend the powers of the Auditor General. I understand from reading occasional reports that the Auditor General seems to have been inclined to extend his powers. In the report of the Select Committee on National Expenditure last year, I find on page 4, section 2, this statement :

> Under the Exchequer and Audit Act of 1866 this officer (who is completely independent of all departments, including the Treasury, and whose tenure of office is similar to that of a judge), was appointed not only to see that no money was issued without authority, but also to examine on behalf of the House of Commons the accounts of the expenditure of the grants in supply, and to report to parliament.

That is a pretty broad proposition in itself. Absolutely independent of all departments, including the treasury, tenure of office similar to that of a judge, and who is appointed to see that no money is issued without authority. Now if that is to be taken lit-

erally, that no money is to be issued without the authority of the Auditor General, then we need not ask for anything more.

The Comptroller and Auditor General in examination before us stated that he conceived his functions to go beyond mere audit, and that encouraged by the Public Accounts Committee he entered also into the merits of expenditure.

That is what our Auditor General did upon the occasion to which I have referred.

Your committee consider that this retrospective examination, both by the Comptroller and Auditor General and by the Public Accounts Committee, has been well done, and they recommend the Public Accounts Committee, even more than in the past, to encourage the Comptroller and Auditor General to scrutinize and criticise improper or wasteful expenditure, and to indicate where censure is in his opinion required.

It appears therefore that there is a tendency in England to enlarge rather than to curtail the powers of the Auditor General. Now I desire to read the 33rd section of our Audit Act for the benefit of those persons who may not have access to it. It is of great importance :

No payment shall be authorized by the Auditor General in respect of work performed, or material supplied, by any person in connection with any part of the public service of Canada, unless, in addition to any other voucher or certificate which is required in that behalf, the officer under whose special charge such part of the public service is, certifies that such work has been performed, or such material is supplied as the case may be and that the price charged is according to the contract, or, if not covered by a contract, is fair and just.

This was a matter upon which the late Mr. Mackenzie was more pronounced than upon any other. He foresaw, apparently, the difficulties that have arisen, namely, the conflicting questions that arise in regard to extras, and he intended by this section as it now stands to put an end to the question of extras. He said that he had an invincible repugnance to the word 'extras', and that he would consent to amend the section, which was then the 34th section as it was proposed, and which was much looser than it is now, and he would consent to have it include, as section 33 does now, a provision that the price charged is according to contract, or, if not covered by contract, then there must be a certificate of the officer in charge that the prices were fair and just.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). Though the hon. gentleman (Mr. Lennox) has done me the honour to request me to name the committee which he has proposed to the House, I am sorry to say I do not think I can avail myself of his courtesy nor do I believe that my hon. friend has made out a case for the appointment of such a committee as he contemplates by this motion. My hon. friend's motion states that he wants a committee :

To prepare and introduce a Bill to consolidate and amend the Acts respecting the public revenue, the control and administration of public moneys, the raising of loans authorized by parliament, and the auditing of the public accounts.

I did not observe from the remarks of my hon. friend that he stated anything in regard to the raising of loans authorized by parliament. The speech in which he dealt with the motion was sufficiently comprehensive of itself to perhaps make him leave aside that question which, however, he thought it advisable to introduce in his motion. I cannot see that the hon. gentleman gave us any reason at the present time even to consider what amendment could be devised to the Act which exists to-day for the raising of loans authorized by parliament. Then, I do not remember having heard anything from my hon. friend suggesting the necessity of revising the statutes in regard to the public revenue. I cannot see in that direction what parliament could do more than we have done up to the present time. The levying of the public revenue is controlled by parliament under the direction of the Minister of Finance who delivers his budget speech every year and suggests to the House what is necessary and the sources from which the revenue is to be levied. But, my hon. friend, concentrated his remarks upon the control and administration of the public moneys and upon those points it will be sufficient to follow him. My hon. friend stated that the Audit Act had been on the statute-books since 1878 and that it ought to be revised and amended. The first reason which he gave in favour of amending the Audit Act was that it has existed with very little alteration, if any, since 1878 and that it is now somewhat antiquated. He says that it has been in existence for twenty-six years, or rather, as he said, for nearly forty years since it is a copy of the English Act which has been in existence since 1866. The fact that the Act is forty years old is certainly not of itself a reason why we should endeavour to amend it or think of amending it unless some further and sufficient reason for amending it is presented. My hon. friend stated that the revenue had more than doubled since the Act was put on the statute-book. So it has.

Mr. LENNOX. And so has the expenditure.

Sir WILFRID LAURIER. I do not think that this fact militates against the disposition of the Act itself. In so far as I understand the matter I think the principle and details of the Act are quite sufficient to take care of the present revenue and of a revenue much larger. If there were any evidence required of that we would have it in the fact that our Act is copied from the English Act and the English Act has been found sufficient to deal with a revenue ten times greater than our own. It may be true that

the tendency to-day is to enlarge the power of the Auditor General, but it has not been found in practice, and if the tendency is in that direction, a statement which I am not prepared either to affirm or deny, all I have to observe to my hon. friend is that that tendency has not been crystallized into an Act of parliament, so that if it be the tendency there is a contrary disposition to leave his power where they are. Therefore all these reasons have no practical value in my judgment. But, my hon. friend has based the better part of his argument upon sections 32 and 33 of the Act. He thinks that under section 32, subsection (c), of the Act the powers of the Auditor General are not broad enough and that they should be extended. Well, the powers of the Auditor General under section 32 are that if an appropriation is asked for any expenditure it is for him to give his opinion to the government whether this appropriation has been voted by parliament and whether it is an expenditure which ought to be incurred and for which there is authority. When he has done that he has exhausted his authority. His opinion is submitted to the Treasury Board and is passed on by the Treasury Board which is simply a sub-committee of council itself. Cases may arise, as they have arisen more than once during the twenty-six years that the Act has been in operation, where the Auditor General will be of the opinion that an expenditure is not authorized by parliament, that it has not been voted, that it does not come within the purview of the appropriation because all the power that the Auditor General has is to say whether or not the appropriation that is asked from him is authorized by law. When he has done that and when he has come to the conclusion, for instance, as many times it will be the case that the appropriation which is asked by any of the departments of government is not justified or is not authorized, there must be some authority to decide whether he is right or wrong and what authority has to do that? The only authority in my estimation, and I think it is the only authority in the estimation of my hon. friend, is parliament, which will sit in judgment not only upon the Auditor General but upon the Treasury Board and upon the government. After the opinion of the Auditor General has been given it goes to the Treasury Board and the opinion of the Auditor General may be sanctioned or it may be rejected. If it is sanctioned the matter is ended there. If it is rejected there comes into operation all the check which is intended by parliament not only in this country but in Great Britain; that is to say that then the Auditor General has power to constitute parliament a court of appeal to decide between him and the government. It is true that the payment may have been made in the meantime and will have been made, but if the payment had not been made in the meantime it might be that the whole power of the government might be blocked, it might be that the whole administration of the government might be blocked, and therefore it has been thought proper in the judgment of the British parliament, as it has been thought proper also in the judgment of the Canadian parliament, that under such circumstances the administration should have the final word taking of course the responsibility of it and having to abide the judgment of parliament. My hon. friend has stated and stated truly that the reports of the Auditor General have been filled year after year with a diversion of opinion between him and the administration, but if that is the case he has it in his power to make any report he wants to make and to make it as strong as he pleases. There is no authority over him, there is no control, he is absolutely independent. He has the power to make the case as strong as possible and to bring it to the attention of parliament which is the court of appeal to decide between him and the government. I do not think that any more salutary check could be placed upon the administration of public moneys in any country.

Mr. CLANCY. This check only comes after the harm is done.

Sir WILFRID LAURIER. Yes, but the harm can be undone by parliament, which can censure the government for having acted contrary to the opinion of the Auditor General, and that is the only possible solution of the difficulty. If the Auditor General had power to do as he liked, without any control over him, does the hon. gentleman (Mr. Lennox) deny that the consequences might be to stop the wheels of government. For instance, last year the Auditor General had the opinion at one time, that he could deprive the members of parliament of their indemnity. He was right or he was wrong; but members of parliament were not slow to complain that he was wrong, or, that if he were right, then, some means should be found to solve the difficulty. There may be civil servants or contractors to whom the government owes money, and there must be some power to decide as to whether they shall be paid or not. It seems to me that the proper authority to decide in such a case is the body which is intrusted by parliament to administer the affairs of the nation. If they go wrong, then they are responsible to parliament and it is for parliament to decide upon their conduct. If this is not a sound principle, then all our formalities of government are useless, and we had better have something like they have in Russia and make the Auditor General himself the omnipotent adviser as to when and where payments are to be made. For my part, I think there is in England more political wisdom in matters of government

than in any other country in the world. I do not believe there is a country under the sun where the principles of responsible government are so well understood and practiced as in England, and I may point out that our Audit Act is copied word for word from the Act in force in England. Although my hon. friend (Mr. Lennox) declared that the powers of the Auditor General should be supplemented in some way, I noticed that he was careful not to mention any one particular in which they should be supplemented.

Mr. LENNOX. I merely asked for a committee, and I realize that it would come with poor grace from me to lay down rules as to what should be done by that committee. I did throw out some suggestions, very few, but my chief object was to get this committee appointed and leave it to them to decide.

Sir WILFRID LAURIER. I did not expect that my hon. friend would lay down any cast iron rules, but we had the right to expect that he would not remain absolutely silent as to the reasons which he would indicate for the consideration of the committee. The hon. gentleman thinks that the Treasury Board has too great power over the Auditor General, and he thinks that once the Auditor General has given an opinion that he ought not pay any appropriation that is asked for by a department, the Auditor General's opinion should not be revised by the Treasury Board. But the hon. gentleman (Mr. Lennox) has not told us by what authority the Auditor General's opinion should be revised, nor whether the Auditor General's opinion should be final. For my part I do not think we should appoint a committee, for I do not believe that any better arrangement can be found than the one provided for now in the Audit Act.

Perhaps my hon. friend will pardon me for saying that it is my opinion that everything he has said with regard to the powers of the Auditor General, and with regard to the necessity of this committee, was merely a preface to the discussion of the Davis contract. I shall not pretend to discuss the Davis contract in detail, but I may be permitted to give the hon. gentleman my opinion as to its general outlines. The hon. gentleman complains that when we made the contract of 1900, we did not ask for tenders, but the hon. gentleman knows that the second contract of 1900, be it wise or unwise, was simply a completion of and implementing of the contract of 1896. I understand that my hon. friend (Mr. Lennox) has no very serious objection to the contract of 1896. He called it a prudent contract, and in many ways I am disposed to agree with him. It provided that Mr. M. P. Davis was to furnish electric light and electric power to work the machinery on the canal. It provided a price at which that was to be done. The hon. gentleman (Mr. Lennox) says that that was a prudent contract, and it being a prudent contract the new government coming into office could not have done better than to have accepted it. The hon. gentleman (Mr. Lennox) cannot seriously complain then that we did not ask for tenders to light the Cornwall canal, when we had a contract already made between Mr. Davis and the government for lighting that canal. In fact we were precluded from calling for tenders. Let us go further, if the contract of 1896 was prudent, was the contract of 1900 imprudent? It was provided in the contract of 1896 that Mr. Davis was to develop electric power, and having developed it, he was to supply the Cornwall canal with electricity and with motive power for working the machinery of the canal. It was provided that the price should be thirty cents per light per night, and $63 per annum per horse-power.

In 1900, Mr. Davis wanted to implement his contract. He was then in the process of developing the power as therefore ready to supply the lights to the government and to furnish the horse-power for the Cornwall canal. But before he finally put in his apparatus it was indispensable for him to know the quantity of light and the number of horse-power required. My hon. friend (Mr. Lennox) will agree with this. Mr. Davis could not put up the plant, he could not put up his machinery, he could not take a step to fulfil his contract until he knew exactly the maximum of light and the maximum horse-power that would be needed. He would not have the same plant to supply a maximum of fifty lights as to supply a maximum of 250 lights; he would not instal the same plant for 100 horse-power as he would if he had to furnish 400 horse-power, and therefore it became necessary that the chief engineer of railway department should determine the amount of power and light required and to form a contract accordingly. Thus was made the contract of 1900 which provided that there should be a maximum of 250 lights and a maximum of 400 horse-power to work the machinery of the canal. My hon. friend does not state that these figures are in any way exaggerated. It has been shown beyond doubt in the record that these figures were not exaggerated, but my hon. friend says: You are paying for light which was supplied in winter when there was no necessity for it. The answer is very obvious. When Mr. Davis had put up this plant it did not matter to him in the least whether the canal was lit or not lit, because the moment he had installed his plant upon the Cornwall canal, that plant being moved by machinery, it was of no consequence to him, as has been abundantly proved, whether the lights were used or not:

the cost was the same and all the time the same. Therefore all of the argument made by my hon. friend is beside the point and does not apply in this matter.

Let me call the attention of the committee to the reports of the experts in reference to the examination and it will be seen that it disposes of three-quarters of my hon. friend's argument. The experts say :

> In an electric plant where the motive power is water, the cost of operating is practically the same whether the plant carries a load or not. It follows that the price of electrical energy cannot reasonably be based on energy supplied, but must in whole or in a large part take into consideration the capacity of machinery at the disposal of the service.

Therefore, Sir, it matters not whether the machinery which had been placed there to supply a maximum of 250 lights, which it is admitted is necessary in summer, was operated in winter or not, the expenditure was the same for the contractor, and it had to be paid. Everything was based on the value of the plant installed by the contractor :

> The machinery and station capacity placed at the disposal of the government for this service does not depend on the number of arc lamps in actual service, but is entirely fixed by the maximum number called for at any one time.
>
> Although the energy consumed may vary, the generating plant capacity is not changed. Moreover the energy available, but not supplied, cannot be sold to any other party, for systems at present employed to do this service keep a constant draught of current independently of the lights in use. The station operating expenses are not changed, the only possible difference would be in the cost of carbons, trimming and care of the lamps, which would not amount to more than $200 to $300 per year.

This disposes I think altogether of all the objections made by my hon. friend (Mr. Lennox).

Mr. LENNOX. I do not think so. If my right hon. friend will permit me, the objection I take is this. How is it explained, when the government had committed themselves to a $52,000 expenditure that within a year or two afterwards, they could make a new contract and cut off a matter of $22,000 a year ?

Sir WILFRID LAURIER. I can give the explanation very easily. I was simply justifying the contract of 1900 upon the fact that that expenditure had to be calculated upon the amount of energy necessary to furnish the light and to move the machinery. The Auditor General objected to this and the Treasury Board overruled him, and I think I was right in saying that the Treasury Board was acting within its rights because the Auditor General, even in the opinion of the legal gentleman whom he consulted, Mr. Aylesworth, was altogether wrong legally, and if he was wrong legally, the Treasury Board was right in overruling him. But after the Treasury Board had overruled the Auditor General the matter was taken up again. He had done what was suggested by the report of the Committee on Finance which was quoted a moment ago by my hon. friend. He had gone into the merits of this contract and the objections which he had made, the reasoning which he advanced, and the views which he had set forth were such as made it appear to the government that it was advisable to have the contract investigated by experts, and this is what was found, this is the reason we modified the contract. There is no alteration at all in the number of lights required ; it was stated and was found that the maximum of 250 lights was right. But, Sir, it happened also that the government Department of Railways and Canals have not yet installed all the machinery to move the weirs, locks and bridges and therefore, the amount of energy, 400 horse-power was not required at that time. It will be required later on, in fact 435 horse-power will be required when all the machinery has been installed. We therefore decided that since all the machinery was not installed and since 400 horse-power was not necessary at this moment, but only 125 horse-power, that we would pay only for 125 horse-power. Let me call my hon. friend's attention to this fact which is very plainly set forth in the new contract :

> Upon the present installation being added to or increased, pursuant to such requisitions, payment therefor shall be computed and made as follows :—the present installation, requiring for efficient operation a line load estimated at one hundred and eleven horse-power, is taken, for the purpose of this agreement (with allowances for extra line load, at one hundred and twenty-five horse-powers, and shall form the basis of computation. The additional installation, according to capacity, shall be estimated on the same ratio of line load (with the same ratio of allowances for extra line load), —the proportion of the capacity of the present installation to one hundred and twenty-five being always adhered to in the result.

This is the reason why we modified the contract which we had made. My hon. friend stated that there was quite a difference in the cost to the government of the lighting and the supply of energy for the Cornwall and Soulanges canals. My hon. friend is altogether wrong in this. In the Cornwall canal he has taken notice only of the actual salaries, and has taken no notice of the wear and tear nor of the interest on the capital supplied. My hon. friend (Mr. Lennox) makes comparison between the present expenditure of the government for lighting and the expenditure for that purpose when the canal was lighted with coal oil. If my hon. friend is ready

to blame the government for having substituted electricity for coal oil, we are prepared to take the blame, but I do not think that those who use the canal will take the same view as he does. For my part I give credit to the late Minister of Railways (Mr. Haggart) for having been the first to introduce the system of lighting our canals by electricity. Not only should we have our canals lit by electricity, but I hope to see the St. Lawrence all the way down lit in this way, and then navigation will be much more safe than it has been.

Hon. JOHN HAGGART (South Lanark). At this late hour I shall not make any very lengthy remarks. As regards the motion of my hon. friend (Mr. Lennox), I had a good deal of experience, when I was Minister of Railways, with the present Auditor General. He has powers equal to those given to any Auditor General in any country I know of. Let him have all the possible powers he can desire to draw the attention of the country to any anomaly or wrong there may be in the government accounts, and I have no objection, but the idea of making him the arbiter and sole judge as to the expenditure of the country is another question altogether. Our public expenditure is a matter in which the government must rule. Whether the government administer affairs wisely or badly, the country has given them that power and has not given it to the Auditor General. The proposition of my hon. friend is to give the Auditor General the power of judging whether an expenditure has been properly voted by parliament or not, and to take from the government, after he has expressed his opinion, the power of overruling him. It would be impossible to carry on the government if any such rule were established. Let us by all means have a true and faithful audit; and where there is any wrong done by the government, let the Auditor General report upon it and draw attention to it in the fullest possible manner, and goodness knows he exercises that power to the fullest extent.

I have said enough upon that point, and I intend to make some remarks, which must necessarily be brief, on the other question raised. I do not wish to adjourn the debate, because we may not have another opportunity of reaching the motion again this session. In the matter of leasing water powers upon the canals, what is the system which has been adopted ever since we have had a government? It is this. We first get a report from the department as to the value of the horse-power in any particular canal. If the energy or power is at the disposition of the government, we first fix a price per horse-power. Then it is the duty of the minister to see that the horse-power is utilized for the development of the particular section of the country in which the canal is situated. That has been the rule hitherto followed on all the canals. I have never heard of any horse-power or of any power on any canal being offered to public competition. That was the plan adopted on the Cornwall canal. It was necessary, on account of the erection of the Shiek's Island dam, that a waste weir should be built for the purpose of letting the water out of the dam in case of repairs. At the end of that, there was the possibility of energy being utilized for the purpose of electric lighting or other purposes. What I wish the government to do is this. I would ask it to bring down all the documents in the office of Railways and Canals and to give the names of the parties who have applied for that particular power. I would like to have the dates of the applications, &c., the report of the deputy minister and the minister regarding the value of the power. I want also the report in reference to the leasing of this particular work and the price that ought to be paid for the lights on the canal. To my own knowledge I ordered the deputy minister to inquire into the prices that were paid in the different cities in Canada, particularly Ottawa and places where there was plenty of water-power available; and the prices which he recomended us to pay is the lowest that was known in Canada at that date. I also instructed him to inquire what was the value per horse-power of the energy required for the purpose of working the different gates and the swings of the different bridges. As my right hon. friend has said, I was the first in Canada to decide upon lighting the canals by electricity, generated by water-powers along the canal, and to use the electric power for the purpose of opening and shutting the gates and swinging the bridges. There was not at that time in Canada any electric energy, that I know of, generated by water-power, sold by the horse-power. I asked the deputy minister of Railways to report as to the value, and he based the value upon what power could have been generated by the actual use of a particular work. He arrived at $63 per horse-power, and his report showed that instead of 400 horse-power being required to open and shut the gates, 50 would be all that was necessary. The newspapers are giving importance to the fact that this bargain was made on the eve of an election, that the price was an exorbitant one, that the price now paid in the city of Ottawa is $15 per horse-power. There is a report, it is true, in the Auditor General's Report, which shows that the bargain I made was a fair bargain at the time. No person would erect a plant, such as was proposed down there for the purpose of generating power, if it was only 50 horse-power which was required. The price agreed on was $63, which the experts in my department recommended as a fair price. The price paid for lighting the canal was the lowest paid for arc lighting in any

part of Canada. The water used for this particular work was taken from the summit level of the canal and might have interfered with those who had powers below; and I made the condition that if it interfered with navigation or works operated below or any works to be hereafter erected, the government would have the right of stoppage.

The only right given to the agent was this —the right to deepen Hoople's creek to take into the level of the Cornwall canal sufficient water for the undertaking that he proposed and the development of this energy for electrical purposes. He had a perfect right to that. The only question is were the government receiving a fair price as compensation for the privileges they gave him? I say they were receiving a fair price, larger price per horse-power than was given for any undertaking on the Lachine, Welland or Cornwall canals. There were no exceptional advantages given to Mr. Davis. I do not think that Mr. Davis was an applicant in the first place, but that he acquired the right from some other person ; or, at least, that some other person joined with him in making application. I do not remember the circumstances, but I know that the contract had nothing to do with an election. What I want to get from the department is when the application was entertained. It strikes me that it was in 1894 and was entertained in 1895 and that the Order in Council was passed on the 17th of February, 1896. I would like the memorandum to Council, which, I think, was 7th February, 1896. The Order in Council a few days before election did not alter the order of 17th February one bit, except that the description of the land in the memorandum, if I remember aright, was larger in extent than in the Order in Council of June 23rd or June 22nd or whatever the date was. The only change was to restrict the area of land to be granted to carry on the undertaking. So that the lease was founded, not on an order passed a few days before an election, but on an order passed on the 17th of February and a memorandum of 7th February, and a bargain made months—yes, I venture to say a year—before. Yet the Auditor General draws the attention of the people to the extraordinary coincidence that this was done on the eve of an election.

Mr. LENNOX. Who says that ?

Mr. HAGGART. The Auditor General. He speaks of it as a remarkable coincidence that the Order in Council was passed a few days before an election and the lease a couple of days afterwards, and also that the changes made by hon. gentlemen opposite were during an election. The facts are as I have given them; and an election had nothing to do with the matter. The result of an election may have done something to hasten the signing of the lease. After an election, the head of the department may change. In view of that, what is done ? The minister sees to it that every bit of the work in the department is cleared up, if it can be cleared up. If he has made promises for senatorships he tries to get the Order in Council through which is to carry the amount. In this case the Order in Council has been passed that there was nothing to do but sign the lease. It was simply an item in the back-work of the department, and was carried out by the minister and was brought over to the council to receive consent. And this is the scandal that some of the newspapers say is greater than the Pacific scandal—a greater scandal than has exercised the people for a number of years past. I do not know what hon. gentlemen opposite have done ; I am only defending what took place in my own time. It was a simple transaction and perfectly justifiable. As to the figures, I could not follow my hon. friend (Mr. Lennox's) figures very well, but they seemed a little confused in reference to the Soulanges canal.

Mr. LENNOX. I am sure that the hon. gentleman (Mr. Haggart) will find the figures perfectly correct. He can go over them any time he likes.

Mr. HAGGART. I think I can show they are not correct.

Mr. LENNOX. Then do so.

Mr. HAGGART. The cost of the installation on the Soulanges canal is given on the authority of Mr. Hoffmeister, resident engineer of the Canadian General Electric Company on the Soulanges canal, at $197,000 ; then for lighting the canal and operating all the lock gates, sluice gates and highway bridges by electrical energy, $160,000. The electrical energy which Mr. Davis supplies according to Mr. McDougall's statements amounts to $15,800 a year. But if the hon. gentleman (Mr. Lennox) will look at the preceding part of it he will find the cost of operating it by this gentleman's estimate is $10,000 a year. The cost of the plant was, approximately $225,000 with contingencies and items that might be under-estimated, making an addition of $33,750 was $258,750.

Mr. LENNOX. That is the Cornwall canal.

Mr. HAGGART. Yes. And the cost of operating, if all the plant ran continuously would exceed $10,000 a year.

Mr. LENNOX. I did not mention that at all.

Mr. HAGGART. Then what would be the value of that ? Say 12 per cent for depreciation and interest—that would be nearly $30,000 alone and after that $10,000 for operating, and you have $40,000 a year.

Mr. LENNOX. The hon. gentleman (Mr. Haggart) seems to think Mr. Davis is losing by it.

Mr. HAGGART. He is not making much, if the cost is as this gentleman states.

According to the report from Mr. Keefer, the engineer employed by the Auditor General to report upon the value of the property, the cost is $225,000, with addition for contingencies and items under-estimated $33,750 or a total of $258,750.

Mr. LENNOX. The Soulanges canal, which is the only one I mentioned, cost $190,000.

Mr. HAGGART. Call it $200,000 and allow 12 per cent—

Mr. LENNOX. We count it at 3 per cent.

Mr. HAGGART. But surely you allow for depreciation in the value of the plant of eight or ten per cent. The cost, according to the hon. gentleman, is $200,000 ; 10 per cent on that is $20,000 as the cost of operating the plant, which is $5,000 less than the Auditor General makes it. I do not wish to go into the details, as I suppose all the papers will be contained in the report when it is brought down. I want, first of all, the memorandum from myself, or whoever was minister at the time. I do not know whether I made a memorandum or not, I mean the memorandum to Council of the 7th of February, on which the Order in Council was passed. Then I want the Order in Council of the 23rd of June, and all applications in the department in reference to this particular work, and particularly the report of the deputy head of the department as to the value of the lighting and horse-power, and as to the value which I ought to attach to the water power which was leased to Mr. Davis.

Hon. CHARLES FITZPATRICK (Minister of Justice). I will follow the example of those who preceded me, and be brief, taking up the facts in their chronological order. On the 8th of February, 1896, the then Minister of Railways and Canals made a memorandum to Council recommending that authority be given to lease to Mr. M. P. Davis a certain amount of land in the immediate vicinity of the Cornwall canal—the description of the land is in the memorandum here—and, in addition, a certain quality of water power. That memorandum, dated on the 8th of February, 1896, was adopted by Council on the 18th of February, 1896, on which day an Order in Council passed authorizing the leasing of this land and of this water power. On the 25th of June, 1896, a lease was passed which was merely for the purpose of giving effect to that which had been decided on the 18th of February, 1896. Now, what is the lease ? The lease is to be found on page 6 of the Auditor General's Report, and refers to a lot of land at the lower end of Sheik's island. I will not read that. That which is important is contained in the next paragraph, and that paragraph is of such importance that I will read a certain portion of it :

And as pursuant to the said lot of land, and subject to the restrictions, reservations and conditions contained, described and expressed herein and in the annexed general terms and conditions, the lessor has granted, demised and leased, and by these presents does grant, demise and lease to the lessee, the use for manufacturing and mechanical purposes, as hereinafter set forth,——

I would like to draw the attention of the House to what I am now going to say, because I want the House to understand what was given to Mr. Davis. What was given to him was the use of—

—so much of the surplus water, if any, on lot number 30 level, Cornwall canal, as the lessor may deem advisable, after navigation and existing mills and mill sites hereinafter to be leased, are supplied——

He is to get the surplus water, whatever it may be, that is left after all the necessities of navigation are complied with, after all the mills then in existence have been satisfied, and after all the mills to be built hereafter on all the mill sites are satisfied with water—he gets what is left. That is the contract, that is the lease.

—and the lessee shall also have the privilege of using, at a weir hereafter to be constructed by him, on or adjacent to the land hereby demised and as shown on the plan hereunto annexed, for the purpose of power, the amount of water flowing and to flow into the said canal from Hoople's creek, and any increased flow of water into the said canal from the said creek through any works hereafter to be constructed by the lessee.

The next clause provides for the term of the lease. The clause which has reference to that reads as follows :

The privileges, rights and easements are granted for a term of twenty-one years from and after the 1st day of July, 1896, and ended on the 1st day of July, 1917, and thereafter for a term or period of twenty-one years, renewable as is provided and mentioned in the annexed general terms and conditions.

Now, an attempt has been made designedly to lead the public astray with reference to the condtions of this lease. It has been falsely stated to the public that the original lease had in contemplation a lease for twenty-one years. As a matter of fact, the original lease had in contemplation, not only by the terms I mentioned last, but also by the terms governing all leases to which reference is made in this, an extension of that lease to 1980, or for eighty-four years. That is the term of the original lease. Then, in addition, you have got the power leased, you have got the object of the lease, you have got the term of the lease—eighty-four years —and you have got all that is necessary to constitute a lease of the power to Mr. Davis. But in connection with that lease there is a reservation, that is to say, the government provide that while they give that power to Mr. Davis on the terms I have indicated. for a rental of $1,000 a year, for the period I have mentioned, he is then obliged to sup-

ply them with power for the purposes of the canal, to move the locks, gates, sluices, and so forth, and also for the erection of a lighting power for the canal. That is the reservation of the lease. The lease provides also :

That the lessee shall supply electric power to the satisfaction of the chief engineer of Railways and Canals for the working of all the locks on the Cornwall canal at $63 per horse-power per annum.

That is the price fixed in the original document. Then it goes on to say that in addition to that he shall supply and work electric arc lights of not less than 2,000 candle power, in perfect working order, at such points and in such number as shall, from time to time, be deemed necessary by the chief engineer. So he is obliged to supply power, he is obliged to supply light to an extent that may be ordered by the chief engineer. Then you have got this extraordinary provision in this document to the effect that, not only in the case of failure on his part to perform any of the conditions of the lease the whole thing is forfeited to the Crown, but also that at any time after he has made his expenditures the government may turn around and, after giving Mr. Davis a year's notice, take over the whole business from him—his plant, machinery, everything, paying him for it the then value with 5 per cent added. They have at any time the right to enter into possession of the whole thing, take it all out of his hands. That is the original contract. My hon. friend spoke of that contract as having met with the disapprobation of the Auditor General.

That is quite true. The Auditor General, dealing with this matter, found it necessary to criticise everything. He starts out with criticising the original contract and suggests all sorts of sinister motives in connection with the making of it. On the 29th of May, 1902, the Auditor General, at page 19 of his report, says that this contract is defective because it does not make proper provision for the payment of the price for the light. Then he goes on to say that the letting of this contract is a violation of the Act. 49 Vic., chap. 37, which provides for inviting public tenders in letting contracts of this sort. I do not require to deal with that part of the question because my hon. friend from Lanark (Mr. Haggart) has dealt with it. I venture to say, however, that there have been hundreds and hundreds if not thousands of contracts for leases of water powers made in this country, there was one made within the last few days, and it has never been suggested that these leases of water powers should come under the public works Act.

Mr. LENNOX. Does the hon. gentleman understand me to advance the idea that leases should not be made without tender ?

Mr. FITZPATRICK.

Mr. FITZPATRICK. I never would have accused my hon. friend of having harboured such a thought. I am dealing with the position of the Auditor General. Then, at page 20 of the Auditor General's Report, I find a letter dated the 4th June, 1902, in which he deals again with the original contract. He says :

Apart from the very manifest principle which should hold in such cases, that the country should be protected from applicants getting prices at their own dictation, there are two Acts, viz. : The Audit Act, section 33, and the Act with reference to the Department of Railways, section 11, which seem to have been disregarded.

Then at page 25 he deals with the same contract. He says :

Then I may call your attention to the rather singular fact that there were two arrangements in connection with the matter : the first was made 11 days before the election of June 23, 1896.

Of course, he is out there because the contract bears date the 25th of June, two days after. But he is so anxious to find fault that he says the contract was made on the 23rd of June, 1896, and of course he suggests all sorts of improper motives on the part of those who made the contract. The Auditor General deals with it again at page 26 of his report. He says :

It must be forgotten that in addition to the $51,000 a year, Mr. Davis also has the right to all rental which the water power will bring.

Then again at page 29 he discusses it in these words :

The government in 1896 might, it seems to me, have kept in view the fact that the first-class water power which was being leased to Mr. Davis should have been held by the government until a lessee was found who would have accorded the government power and light on the most favourable terms.

Now I am done with that part of his criticism. But, what do we find at page 35 ? Hon. gentlemen who have followed me in what I have said will recollect that portion of his criticism in which he states that this contract was made on the eve of an election. What does he say at page 35 of his report ? Under date of October 11, 1902, he says :

Bear in mind that the present Deputy Minister of Railways and Canals was in office when the agreement of 1896 was made, that he presumably was either the author of the carefully prepared agreement of 1896, the one which so fully guards all the public interests by providing against a successful claim by the contractor, for either electric light or energy, the use of which is not obtained by the public.

There you have the Auditor General's views as expressed in his own report in reference to this contract at these different dates. But that is not all. Let us take the opinions of the experts who were selected with the approval of the Auditor General to

deal with this matter. You have Mr. Herdt, who is a professor at McGill College, Montreal, and who from a technical standpoint is one of the most competent electrical engineers in the country. You have also Mr. Dion who is at the top of his profession and Mr. Parke, of Toronto. I find, at page 45 of the report, that they say :

> We are of the opinion that—for the time (1896) and the service to be rendered, namely, to supply power for 24 hours per day in small units, and to furnish lamps and light them, the whole scattered over a course covering many miles—the prices to be paid were reasonable. It has been possible since, under certain conditions, mode of delivery, &c., and in very large quantities, to sell power at comparatively low rates, but the lease must be judged from the conditions prevailing at the time it was made and what might reasonably be expected as to the future from the data at hand.

That is as to the price. Then they go on to deal with the time which the lease had to run and they say :

> Under the lease the lessee was required to construct costly works, and it was necessary to have it cover a long period of time.

So, you have the justification in so far as these gentlemen are concerned for the price paid and for the period during which the lease was to run. Now that is the contract of which the Auditor General speaks in such high terms of praise at page 35 of his report and which is approved of by the engineers whose names I gave a moment ago. I say now, that, dealing with the contract made in 1896, and of which the Auditor General speaks in such high terms, that not a single line of that contract, not a single word of that contract has been changed by the present government. It remains in the condition in which it was and there has been no departure from it to the slightest extent. It has been suggested that the renewal of that contract for 21 years is provided for by the contract of 1900. Nothing of the sort. It was provided for by the original contract, wisely and properly provided for, because there is a clause in the original contract which enables the government at any time to step in and take possession of the whole work paying the contractor merely the then value of the work which they take over. What was done by the second contract of 1900 ? By the second contract of 1900, provision was made merely for the number of lights to be used on the canal and for the amount of horse-power which was required in connection with the working of the gates, locks, weirs and so on. As I said a moment ago this was provided for in the original contract of 1896, which also provided that the engineer of the government, should, when the necessity arose, that is when the canal was ready to be put into operation, determine the number of lights and also determine the amount of horse-power required to effectually operate the canal. The engineer did that ; that is to say that when the canal was finished in 1900 it became necessary to light it. The engineer was applied to and he said it would be necessary to have 250 lights to properly light the canal. Is it doubted for a moment that that was the proper number of lights ? Experience establishes the fact now, after the canal has been in operation, that we have not one light more than is necessary and as we have had a comparison made with the Soulanges canal I will take occasion to show that notwithstanding the statement made by the Auditor General and by the hon. member for Simcoe there are fewer lights in operation on the Cornwall canal than on the Soulanges canal. You will find that the experts say that the number of lights required by the engineer is merely sufficient for the purpose of lighting the canal and in addition to that we have our practical experience of the operation of the canal and when the engineer said that 250 lights were absolutely necessary our experience has shown that he was absolutely correct. What was done in 1900 ? I shall not ask the House to take my view of it. I do not want the House to take my opinion because I was not a member of the government at that time and had nothing to do with the making of this contract, although I think it was a very proper contract notwithstanding what the hon. gentleman for Simcoe has said. I will take the opinion of the gentleman selected by the Auditor General to advise him in respect to this matter. I take the opinion of the gentleman selected by the Auditor General to advise him in respect to this matter ; and in regard to the contract of 1900, Mr. Aylesworth says :

> There appears an Order in Council of October 9th, 1900, authorizing the agreement of October 19th, 1900, under which the claim to payment is now made, but it is to be observed that this agreement of October, 19, 1900, in fact amounts to nothing more than a fixing of the quantities of electric horse-power and electric light the contractor is to supply.

The original contract was not departed from to the extent of a hair's breadth ; all that was done by the supplemental contract of 1900, was to do that which the orignal contract had in contemplation, viz. : to provide for the number of lights required, and the horse-power necessary, and which were fixed by the engineer who made the original contract. As Mr. Aylesworth says, all that was done under the second contract was to fix the number of lights and the quantity of horse-power the contractors were to supply.

> The lease previously entered into and dated June 25th, 1896, seems to have conferred upon Mr. Davis the right to supply such electric power and light on the canal as the chief engineer of the department might require, and if it was, under this lease, the right of Mr. Davis to supply the light and power in question, there was no possibility in October, 1900, that

there should be competition, or the consideration of tenders, before the agreement then made with Mr. Davis was entered into.

There is the opinion of the gentleman selected by the Auditor General to advise him on this matter, and who says that in view of the contract made in 1896, Mr. Davis had a fair right under the contract to supply the light and power and that the government had no right to call for tenders and no possibility to provide that there should be competition. I draw the attention of my hon. friend (Mr. Lennox) to page 13 of the Auditor General's Report, where he will find that so far back as the 1st of December, 1901, there were then in operation on the Cornwall Canal, 216 lights. In the report of the experts (page 47) the hon, gentleman will find the following statement :

> The agreement of 1900 calls for a minimum of 250 lights and 400 horse-power. The 250 lights appear to be no more than sufficient to light the canal, as the lamps which are placed is 400 feet apart, are not too close for proper illumination.

The experts confirm the opinion of the engineer of the Department of Railways and Canals, who was himself selected when the contract was made in 1896 to determine the number of lights. There is no doubt about the number of lights required. And now as to the horse-power required, it was intended that we should have power required to move the locks, and the gates, and the bridges, and to operate the workshops, and in addition to haul boats moving through the canal by means of wenches, run by electric power. This was a new departure inaugurated by my hon. friend (Mr. Haggart). When the time came to determine what was required under this contract the government's engineer gave a detailed statement to the effect that to do the work in contemplation it would require 417 horse-power. The contract was made accordingly, and as the Prime Minister pointed out, it would have been lacking in prudence on the part of the contractors to have installed a plant there without knowing how much power he would require to generate. His contract was to supply not less than 250 lights, and not less than 400 horse-power, and it was proper on his part that he should say : If I am obliged to supply that, give me some assurance that when I have expended my money to supply it, I should have a demand for it. The contractor set to work, and he had his plant installed before the machinery built by the government was ready to use the power. The contractor was ready to supply the electric energy, but the government were not ready to utilize it because it was necessary for the government to determine the extent to which the power should be applied to each particular machine. The contractor said : I am ready to supply the power, and you are not ready to utilize it, and why should I be deprived of the money to which I am entitled under the contract? The government said : Here is a contract which we must abide by, but we have a provision in the contract which enables us to expropriate your plant, and let us see if we can come to a fair understanding about it ; we are not ready to utilize the power, but it is not fair to ask us to pay for something we are not getting. It was not the Auditor General who did that, it was the government that did it. Then the government said to the contractor : We have so much plant installed now and for that plant it is necessary for us to have so much horse-power ; we will pay you for the power necessary to operate the plant we have installed, and as further plant is installed we will pay you proportionately for the power required for it. There is no mystery about that. We want to keep nothing back in connection with this matter. The whole difficulty arises from the fact that when the government contractor was ready to deliver power the government was not ready to receive it to the extent he was ready to deliver it. In law he was entitled to be paid because he was ready to execute his part of the contract, but to the credit of the hon. member for Lanark (Mr. Haggart) let it be said there was a provision in that contract by which we could turn around to the contractor and say : Very well ; if you exact your pound of flesh we will exact ours.

You will be entitled to be paid for what you contracted to deliver and what we are prepared to take, but we will expropriate your plant. Mr. Davis, I say it now, never asked for anything to which he was not fairly entitled, and when the matter was properly put to him, all he ever took payment for was what was delivered to the government, notwithstanding, that according to the strict letter of his contract, he might have been paid for more. There is the whole case. What is there in it which we need to hide, and what is there in it to make all this scandal about ? I have not said a word that I have not corroborated by reference to the Auditor General's Report, and not a word that cannot be so corroborated. I do not find any fault with the very deliberate statement of my hon. friend (Mr. Lennox). I want to deal with the Auditor General, who makes a comparison between the cost of the Cornwall and Soulanges canals. In one instance he says : You have the government plant on the Soulanges canal, and the installation there cost so much and the operation costs so much ; and then he says, you have let a contract for the Cornwall canal, and the operation will cost just so much. Let us see if it is possible to compare them. At page 27 of his report the Auditor General says that the cost of installation of the Soulanges canal is $160,000. That statement is contained in his letter, dated July 14th,

1902. He says that the cost of operation is $5,000 a year ; that is the cost of running a plant, and he puts in $4,800 for interest. He, therefore, says our charges are $9,800. At the time he made that statement, on July 14, he had in his possession a letter from the man who installed the plant, Mr. Hoffmeister, which was written on July 12th, and which will be found on page 29 following of his report. In that letter Mr. Hoffmeister tells him that the total cost of the installation was $200,000. That is on the next page from the page I quoted. At the foot of that page, he tells him that the operating expenses may go up to $5,700. There is the position of the Auditor General with respect to that statement. Then he goes on and says he has derived the cost of installation from his report, and gives it at $160,000. I have a statement from the Chief Engineer of the Department of Railways ; and also one which I have made up from the Auditor General's Report. From the Auditor General's Report it will appear that the cost of installation of the plant was, not $160,000, but $212,820 ; and from the Chief Engineer of the Railway Department, I have a statement carried down to date, which shows that the cost of installation on the Soulanges canal is $218,175, and the cost of operation is not $5,000, as was stated in the letter, the cost of operation is $11,131. If to that cost of operation you add six per cent, which is a very small amount for depreciation of plant, and you add three per cent for interest, you have got $29,000 for the Soulanges canal. His statement here is simply as to the cost of operation, to which may be added interest—and the government cannot to-day borrow money at 3 per cent —and you cannot allow less than 6 per cent for depreciation. Thus you have $18,000 and if you add to that $11,000 for operation, you have $29,000 as the cost of the Soulanges canal instead of $10,000, practically three times the amount given in the Auditor General's Report.

A statement appears at page 23 of the Auditor General's Report of the amount of power required to operate the Cornwall canal. As a matter of fact, you have two canals at Cornwall, but the Auditor General does not think it necessary to refer to that. There is, however, the old canal and the new canal, both of which have to be equipped and looked after. The new canal has twenty-six locks and two guard-gates. The old canal has twenty lock gates. On the Soulanges, with which he compares this, you have four lift locks, one guard-gate and one guard-lock, as against forty-six on the other. On the new canal you have sluice gates or valves, 26 ; on the old canal, sluice gates or valves, 20. You have six winches on the new canal, five winches on the old canal, and in addition to that you have on the Cornwall canal a workshop which is now being built to provide for the service on both the Cornwall and Williamsburg canals, and that workshop requires 60 horse-power.

What have you got at the Soulanges ? Four lift-locks, one guard gate, one guard lock, twenty sluice gates, five weirs and seven bridges. Of these the lock gates, sluice gates and five bridges are worked by electricity. You have no winches and no workshops, although one is being built but is not in operation. How could you, in justice or in conscience, compare the conditions existing at Cornwall with the conditions existing at Soulanges ? There is no comparison to be made between the two. Mr. Schreiber, at page 33, very properly says :

> In dealing with the question of the application of electricity to the several purposes of the Cornwall canal operation (which at the present date is a matter of theory and estimate, rather than of conclusive calculation, based on definite experience), provision had to be made, on both the old and new canals, for the lock and guard gates, for the sluice gates or valves, for bridges, and for winches to assist vessels through the locks. In addition, power had to to be furnished for the workshops, which serve not only the Cornwall canal, but also the three canals constituting what is known as the Williamsburg canals.

That is what the Chief Engineer of the Railways and Canals Department says with respect to the Cornwall canal.

Mr. LENNOX. What do you state is a fair annual cost of operating the Soulanges canal ?

Mr. FITZPATRICK. I do not think I can give the average cost of that, because, in my judgment, it altogether depends on what we have to pay to operate that. The price for the power was fixed in 1896. There is no doubt but that at that time the price was fair and reasonable. The amount we will have to pay for the operation of the Cornwall canal is dependent on the amount of power to be used in connection with its operation ; if 200 horse-power is used, 200 times 63 will be the cost ; if 400 horse-power is used, then 63 times 400 will be the cost. For 200 horse-power it would be 200 times 63, and for 400 horse-power 400 times 63.

Mr. LENNOX. That is operated by the government.

Mr. FITZPATRICK. Cornwall is operated by Mr. Davis.

Mr. LENNOX. I am asking about Soulanges.

Mr. FITZPATRICK. I cannot tell any more than my hon. friend. All I know is that up to the present we have expended $218,175, and that the annual charge, independent of interest and depreciation, was $11,131, and they have not equipped one-half the canal. There are five weirs not equipped, which have no electric plant.

Mr. LENNOX. As I understand the hon. minister, he cannot tell us, by way of comparison, how much it does cost on the Soulanges canal for the same service as Mr. Davis is supplying.

Mr. FITZPATRICK. I do not like to make comparisons. I prefer to state the facts and let my hon. friend make the comparison. My figures are official.

Mr. LENNOX. If you will give them.

Mr. FITZPATRICK. I have given them. Perhaps I had better give them again. On the Soulanges canal there are five weirs not equipped. There are two bridges which have not got the necessary appliance to utilize the power. There are no winches to help the vessels through the locks, and you cannot tell what the work is going to cost. But the small equipment that is on it we do know has cost $218,175 and the annual outlay, independent of interest and depreciation is $11,131. But we have something better than that.

Mr. CLANCY. When the work is completed, will the work have to be increased on the Soulanges canal ?

Mr. FITZPATRICK. I am not an electrical engineer, but I should say it will and I will give my reasons. On page 30 of the Auditor General's Report, Mr. Hoffmeister says :

> The maximum power required for operating the Soulanges canal, that is, if a lockage is made at every lock and all the highway bridges are operated all at the same time, it would only require 40 horse-power.

That is what he tells us. It is only going to take forty horse-power to work the whole canal. Then he goes on to say :

> But the average power required with a fairly good traffic passing through the canal, it would only require about 20 to 25 horse-power to operate the canal.

All that is wanted is forty horse-power. What we have got already has cost $218,000 and it will cost $11,000 per year to keep it going, independent of depreciation and interest. Providence protect us from government ownership if that is a sample of it. I do not know that it is necessary for me to go further into this matter. The position I take is this, that the first contract of 1896 was made at a time when it was necessary to dispose of this power, and at that time the term of the lease was fixed, the price of the light to be supplied was fixed, and also of the horse-power.

Mr. LENNOX. We were not bound to take anything.

Mr. FITZPATRICK. On that point I happen to differ from my hon. friend. All that was left over for this government to do was, when it became necessary to utilize the lights and the power, to fix the number of lights and the number of horse-power. That is what was done in 1900. The only difficulty that has arisen arose out of the fact that the contractor was ready to deliver his power before the government was ready to utilize it, and on a strict reading of the contract he was entitled to be paid for the power he was ready to supply. But after having considered the matter, and when it was found that the quantity required would be 126 horse-power, he agreed to reduce his claim to that amount, and in any addition to that up to 400 horse-power, he would be paid at the price fixed in the lease. The contract of 1896 was made by our hon. friends opposite and we think—in the words of the Auditor General—that it was a provident and a wise contract, and we think that the contract we have made is equally provident and wise because it gives effect to that of hon. gentlemen opposite.

Mr. JAS. CLANCY (Bothwell). I am not going to discuss the question of the Davis contract at all further than to say that in the speech just delivered by the hon. Minister of Justice (Mr. Fitzpatrick) he has shown an impatience which is hardly the proper accompaniment of a good case. He has taken particular pains to discredit if possible one of the chief officers of this House. The hon. minister is not wanting in courage, but if evidence were wanting I do not think he has given any evidence of it in taking the stand he has done. I am not prepared to say that the Auditor General makes no mistakes or that the government made no mistakes, but the House must be very much struck by the admission of the Minister of Justice that a wise provision was put in the contract by the Minister of Railways in the late administration (Mr. Haggart), which they took advantage of when they said to Mr. Davis : We will either use the power of expropriation or you must come down. Without going into the merits of the contract, I say that the government should have been prepared to utilize all the power that Mr. Davis was ready to furnish them. I cannot agree with what has been said to-night, even by the hon. member for South Lanark (Mr. Haggart), to the effect that the Auditor General should be reduced to the position of a mere clerk in the office.

Sir WILFRID LAURIER. No one has said that.

Mr. CLANCY. That is absolutely the contention of the government and that was the position taken by the Minister of Finance last year. Naturally an officer or that kind will be sometimes wrong. And that the government have greater inducements to do wrong is a thing that must go unchallenged. What is the position of the

government—and I refer to no particular government ? It is simply governed by the political and party exigencies of the case. They have no other guide. They give the people no reason, and the opposition is powerless. The Auditor General makes his protest year after year, but how does that cure it ? The government are not checked by their own supporters. Would the Prime Minister be prepared to say that the government would look for the condemnation of their own party to uphold the Auditor General or check the overruling of his decisions by the government. He knows there is nothing of that kind. As to the case of England, no complaint has ever been made there that the Auditor General encroaches upon the rights of the government. The strong opinion is that the authority of this important office, the Auditor General ought to be increased. But the tendency here is to diminish it. It can hardly be that in every case of difference between the government and the Auditor General the government is invariably and wholly right. The Prime Minister himself would not say that.

Mr. COWAN. How about the opposition, are they ever wrong ?

Mr. CLANCY. It is not a matter of the opposition. It is a matter with the people. The Auditor General stands between the government and the people. It is not a matter for the opposition at all. If the Auditor General is only to be an officer to see that the columns of figures are added up right and that receipts are duly filed, he will fulfil the duties cut out for him by the Minister of Finance. But should not the Auditor General have more power than that ? Should not he call in question irregularities? Should not he consider whether the expenditures are made according to law ? I think nobody will contend that there should not be an officer charged with that duty. We find the two extremes, on one side the contention that the Auditor General is never wrong and the other that the ministry is always right. True, the Prime Minister said, and I think it was repeated by another hon. gentleman opposite, that the remedy is for the Auditor General to make his report, which comes before parliament and can be here discussed, and parliament is to be the judge. But, is parliament an unbiassed body ? Under our system of party government—using the words in the restricted sense in which we generally use them—can it be said that parliament is a body without bias to judge such matters ? The ministry will be supported, and not a man on the other side will venture to call its actions in question.

Mr. CAMPBELL. What remedy would the hon. member propose ?

Mr. CLANCY. I do not think I would be justified in presuming to offer a specific remedy.

Mr. COWAN. How about a general remedy ?

Mr. CLANCY. I do not know what my hon. friend (Mr. Cowan) means ?

Mr. COWAN. The hon. gentleman (Mr. Clancy) said he could not offer a specific remedy. I suggest that a general remedy would be sufficient.

Mr. CLANCY. If the hon. gentleman (Mr. Cowan) would be more general in his silence, it would be better. He is merely trying to be clever.

Mr. COWAN. Not with you, not for a moment.

Mr. CLANCY. I have escaped the hon. gentleman (Mr. Cowan) because I have rarely found it my duty to reply to what he has to say. That is the only way to escape the honourable member's filth. I said a moment ago that I was not prepared to offer a specific remedy, but what I do offer the suggestion that this is of sufficient importance—and I think the Prime Minister might agree to that—to justify an investigation. There is no proposal to change in any sense the authority of the government. I am not contending that the Auditor General is all right. But surely there should be some medium between the two extremes, and, the way to find this medium is worthy of inquiry. I do not think the country will receive with great favour the remarks made on behalf of the government.

If I have exceeded the time I should have taken at this hour, I apologize to the House. I think the matter is worthy of greater consideration than has been given to it.

Mr. R. A. PRINGLE (Cornwall and Stormont). My only apology for saying anything at this hour in the morning is that the works referred to in this discussion are located in the county I represent. The hon. member for South Simcoe (Mr. Lennox) in his very able argument in favour of the motion he has presented to the House, took occasion to bring up the question of the lighting of the Cornwall canal. Now, I do not pretend to go over the ground that has been gone over so well this evening, but I will endeavour to confine myself to a very few points. The hon. member for Simcoe laid some stress upon the statement contained in one of the letters of the Auditor General calling attention to the fact that power could be purchased by Mr. Eddy at $15 per horse-power, while, in this contract, the price was fixed at $63 per horse-power. That price per horse-power, as has been explained by the hon. member for South Lanark (Mr. Haggart) ex-Minister of Railways and Canals, was fixed by the Order in Council and in the lease which was executed in June, 1896. I have here a copy of the Order in Council of February 18, 1896, under which this property was to be leased

to Mr. Davis and under which he agreed to supply electric power for the working of the locks on the Cornwall canal at $63 per horse-power, and also direct current arc lights of not less than 2,000 candle power at 30 cents per light per night. Now, it struck me, when I first read the correspondence in connection with this matter that the price charged for power was an excessive price.

I do not think I would detain the House in discussing this matter if it were not that it seems to me the press have got an entirely erronous idea of it, and I think it is well that the facts should be thoroughly ventilated. After hearing the explanation of the hon. member for Lanark (Mr. Haggart) I can readily understand why the price was fixed at $6 per horse-power. I can understand that no contractor would develop power, the fifty horse-power which was supposed to be at that time the amount required for the canal, at a rate of $15 per horse-power. It is possible in large deals to supply power for such a concern as Eddy's, in blocks of three, or four, or five hundred horse-power. But that is an entirely different proposition to supplying power in small units. Now we find on the Cornwall canal—I think I am familiar with almost every foot of it—that not only for the new canal, as the Minister of Justice explained, but also for the old canal, we have the different weirs and we have the bridges. Now this power has got to be suplied in units running down as low as one and a half or two horse-power. That means that there have to be transformers to take away down to these small units. The consequence is that there is a bank of transformers at every lock gate for the whole distance of eleven and a half miles, and there are transformers at the sluiceways and at the bridges. So I say the power delivered in these small units is of much greater value than the power delivered in large quantities of 100 or 150 horse-power at a time. However, the fact remains that by the Order in Council signed by Sir Mackenzie Bowell, in February, 1896, the price was fixed, and there could he no variation in regard to that.

I wish to say this, that I think, irrespective of politics, the residents of Stormont desire to see our canal lighted by electricity. We desire to see our canal operated by electrical energy; we desire to see this power developed so that if there is any surplus energy after supplying the requirements of the canal, it may be utilized for manufacturing purposes in that district. I am not going to compare the cost of coal oil with electricity. Where it is possible to aid navigation with electric lights, I think it is the duty of a progressive government to give the advantage of electric lights and also the advantage of electric power. Let me go back a little further. The Conservative government that was in power some years ago built at Sheik's Island a dam from which this power is derived, and that Sheik's Island dam I think I am correct in saying has been an immense aid to navigation on the St. Lawrence river. Instead of vessels taking five or six hours to pass through the Cornwall canal, by that Shiek's Island dam to-day they pass through in half the time. Now by having all our locks operated by electricity, and the canal lighted by electricity, boats can pass through at any hour of the night, and on any kind of night, with perfect safety, and they also go through the locks very much more readily.

If these articles that I have read in the newspapers were any way true, I would feel it was my duty in this House to criticise the contract that has been made. But, Sir, I have looked into this matter as carefully as I could, and I can see nothing unreasonable in this contract. I can see no unreasonable revenue going to the contractor. Why Sir, take the contract as it stands to-day. We find that the greatest revenue which he can receive, to the limit of a cent, is $29,850. We find by the evidence of experts that the cost of operating, maintenance, &c., would be $20,000, made up in this way: They allow $9,400 for depreciation, then they allow for operating expenses $5,800. Let me say here that I have knowledge that the operating expenses at $5,800 are nearly $2,000 too small. The pay-list of the contractor to-day for operation is $700 a month, which would be $8,400 a year, though I am willing to take these figures for the purpose of argument. Then they allow for accidents not elsewhere provided for, $1,000; rental of water power, $1,000, making in all $20,000. Deduct that $20,000 from the utmost revenue that he can receive at the present time, $29,850, and you have net $9,850, or less than 4 per cent upon his investment on that plant. Some one may say: What is that investment? I am informed the investment is over $250,000, but I am willing to take the statement of the Auditor General's engineer, the engineer that he put on of his own volition, Mr. Keefer. Mr. Keefer estimates the cost of that plant at $258,000. Mr. Hoffmeister and Mr. Munro also went into that matter. Mr. Hoffmeister put it at $204,000. But I understand the actual investment on that plant is $250,000. So the contractor at the present time has les than 4 per cent upon his investment of $250,000.

Let me say another thing in regard to this canal. Last year an accident occurred by lighting which cost the contractors $5,000. That is not provided for in any way, that is a contingency he has got to meet. The winter before last during the ice shove, a large number of his poles and his electrical appliances were destroyed. I happened myself that afternoon to be watching that ice shove, and saw these poles snapped off like pipe stems. He suffered much loss then

Only a short time ago there was an accident on the line. A poor unfortunate man through some carelessness of his own came in contact with a live wire and was killed. His widow could not have brought a successful action, but he gave a generous settlement to the family of the man who was killed. Now all these accidents in connection with a plant of that sort have got to be taken into consideration. Why, Sir, we have heard here about the Soulanges canal, and about the expense of operating it. I took the trouble myself to go into the Auditor General's Report to see whether the statement made by the Auditor General was correct, and I found, just as the Minister of Justice has stated to-night, that the cost of these works was very much larger than the Auditor General puts it. He makes a ridiculous statement in regard to the costs of operation. The cost of operation is away in excess of the figures that have been given by the Auditor General. I found further that they are also liable to just the same accidents we have on the Cornwall canal. It might be well to refer you to the page of the report to show you where it costs them some thousands of dollars for little accidents that occur and are likely to occur at any time on those works, and that is a risk that the contractor, or the owners of the work, have got to incur. Let us take one little accident that occurred on March 10th 1901.

Repairs on pole lines due to storm Sunday night March 10, 1901, $2,452.49.

I only give that as an instance of the accidents that are likely to occur.

Mr. COWAN. I understand that in your calculation you had allowed a certain amount for depreciation which you said, with interest on the investment on this contract, did not exceed 4 per cent. Have you in these figures taken into consideration those contingencies and accidents on the lines and that sort of thing ?

Mr. PRINGLE. No, I have not taken these contingencies into consideration. I was speaking of the additional expenses incurred on the Soulanges canal. These are expenses which are incident to these works. I do not think I will trespass upon the time of the House any further. The ground has been covered so completely by those who have spoken before me. I was rather struck myself, at the decision arrived at by the Treasury Board and afterwards to find that they rescinded that order. I could not quite understand it, but we have now had the explanation of the hon. the Minister of Justice. I felt that the decision of the Treasury Board was a right decision. Of course I view it from the legal standpoint. Mr. Aylesworth, at page 39 of the report gives his opinion in very clear language He says :

I think that was the position of matters and the right of the government in the premises prior to the agreement of October 19, 1900, but by the document of the last mentioned date the number of such lights has been, I think, fixed by the agreement of the parties at not less than 250, and I think, therefore, that if on any night any lights at all are required Mr. Davis has the right, if he wishes, to insist that not less than 250 shall be paid for.

Then he says :

As matters stood, so long as this lease was the only contract, it rested with the chief engineer to define the points along the canal at which lights were required, and from time to time to determine the number of lights. The prices and various particulars in regard to the lights are specified by the lease.

The Order in Council of October 9, 1900, and the agreement of October 19, 1900, specify in distinct language the number of lights to be furnished. They are to be, in number, not less than 250 nor more than 270, at the discretion of the department, and the government having by this Order in Council and subsequent agreement exercised the right reserved to it under the lease of determining the number of such lights which Mr. Davis should supply, he is, I think, entitled to rely upon such Order in Council and subsequent agreement, and to say that if any lights at all are required from him on any particular night, the number of them shall be not less than 250.

I am not going to say that the Order in Council of 1900 was a proper order. I believe that possibly an arrangement could have been made at that time fixing the number of lights for the season of navigation and during the winter months. However, as we find the Order in Council fixing the minimum number of lights at 250, if Mr. Davis supplied those lights or if he was ready to supply those lights, I contend that he would be entitled to be paid for them. Under Mr. Davis's contract there was a minimum quantity of power fixed and the moment Mr. Davis was ready to deliver that power it was no fault of his if the government were not ready to receive it, and therefore I say that legally he was entitled to be paid for it and that consequently he was quite justified in filing a claim for the amount he did claim. However, as the hon. the Minister of Justice has explained the Treasury Board followed as they considered the law and they reversed the ruling of the Auditor General, but subsequently a compromise was made and under that compromise the contractor is now paid for 125 horse-power and 244 lights for the season of navigation for 100 lights during the winter months computed at 121 days. There was a good deal of criticism last session in regard to these lights during winter. I do not know whether all the members understand it, but not only are the lights necessary, but power is necessary in the winter time. It is not all necessary for the lock gates, but the weirs and sluices have to be operated during the winter months, so that some power is required in winter as well as in summer, and some lights are required

during the winter months. Now, I am glad to say that the experts who were put on this work found that it was a splendid plant. I think everybody who is familiar with the plant knows that it is a splendid plant and that the plant is in the hands of one who will certainly fill his contract with the government. Some stress has been laid on the fact that the government inserted a clause in the lease of 1896, by which they had the right to take over these works at any time. In view of that I think probably that the experts were quite right in finding that it was not unreasonable to enter into this contract for a long term of years as the government had reserved the right to determine it at any time and take over the works. I apologize for having taken up so much time, but it seemed to me that when there have been so many mis-statements in the press in regard to this matter, it was my duty to say something in regard to this work and these contracts.

Mr. LENNOX. I think that although it would be very unfair to ask the House to listen to me for any great length of time, I shall have the indulgence of the House in the exceptional position I occupy just now for a minute or two. I had the ambition to be an independent member on some one occasion and I always wished to vote for the government once if I possibly could. Seeing that there is no opportunity, and probably will not be an oportunity of voting with the government, entertaining the convictions I do, I am not at all sorry for standing pretty well alone to-night. I am proud of the able support of the hon. gentlemen on this side of the House who supported my arguments and I am not at all discouraged. I have the idea that it would not be a difficult matter to dispose of such arguments as have been advanced, even by gentlemen on this side of the House, if the opportunity presented itself. I hope I made it clear to the government that I only took this as a sample of many other cases. As the member for Cornwall said, there are a great number of cases which upon the face of them seem to indicate something wrong. Not only as to those I mentioned to-night, but as to others I shall court an opportunity during this session perhaps, of bringing them to the attention of the House. I expected that we would have had some argument from the governement to explain away the fact that the instrument entered into by the government in 1896 amounted to nothing more than a mere option giving Mr. Davis the right to occupy these premises at $1,000 a year, and binding the government to nothing whatever. Therefore, the government were in an easy position to get rid of that option if they thought fit, and they must not now attempt to screen themselves behind the document of 1896. I have not heard any argument to dispose of the established fact, that whereas we were committed by the government to pay upwards of $52,000, that has been reduced to $29,000 by the activity of the Auditor General, and the figures produced by the hon. member for Cornwall show that we are paying about full value for the service, when we pay $29,000. I do not complain of my hon. friend (Mr. Pringle) discussing this matter, although his advocacy of it was a little stronger than anything offered by the government side. Although we are apt to get a little careless about it in this House, we must remember that we are commanded to love our neighbours as ourselves, and as this work is in his own county, it follows I suppose that the hon. gentleman has a very strong affection for the work and for the contractor. I have no brief to defend the Auditor General. He is an appointee of the Liberal government ; he has the esteem and confidence of the Liberal party in Canada. There may be reasons why the present government find him inconvenient. It is not the first time in history, that parties have promoted men to power and have afterwards been most anxious to get rid of them. It is more than whispered that the government find the guardian of the treasury inconvenient. The attempt last session to deprive the Auditor General of the undoubted powers he possesses, has not been forgotten. I shall endeavour when the opportunity occurs later on to discuss more of these Treasury Board overrulings, but in the meantime, I may say that there was absolute power on the part of the government to begin anew this contract in 1900, and by a stroke of the pen, they could have terminated the previous contract, if they wished to do so.

Motion (Mr. Lennox) negatived on division.

Sir WILFRID LAURIER moved the adjournment of the House.

Mr. CASGRAIN. What business to-morrow ?

Sir WILFRID LAURIER. The Budget speech.

Motion agreed to, and House adjourned 2.25 a.m., Tuesday.

HOUSE OF COMMONS.

TUESDAY, June 7, 1904.

The SPEAKER took the Chair at Three o'clock.

CANADIAN FISHING REGULATIONS.

Mr. GEORGE TAYLOR. Before the Orders of the Day are called, I wish to bring

to the attention of the Prime Minister and the Minister of Marine and Fisheries, who, I regret, is not in his place, a matter which affects large interests in Canada. This letter was placed in my hands yesterday by the proprietor of a large summer hotel at Gananoque. It is dated Rochester, N.Y., May 31st, 1904, and is as follows :

Mr. W. L. Day,
Gananoque, Ont.

Dear sir,—Your favour of the 27th, and also the booklets received. We surely will do all we can to send our people your way, but we want to say right here, unless you make a move immediately to disabuse the notion that has got abroad here in the city that your fish laws have been changed so as to make them very restrictive, that a number of people who contemplated going over into Canada and spending their vacation, and leaving lots of their money, are contemplating going in other directions. It is unfortunate that such a notion got started, for it will be difficult to overtake it. We would suggest that if you can have it denied authoritatively in some of your local papers, and send us copies so that we can have it copied in our papers, it would be the most effective way.

You will do us a great favour if you will keep us advised of the transfer boats from Gananoque—the hour they leave Gananoque for other points and when they return. Send us some time table, if you can.

With kind regards, we remain
Very truly yours,
F. J. AMSDEN & SON.

I have also a clipping from the Rochester 'Post,' of Thursday, June 2, and the information contained in this item seems to be official. The item is as follows :

CATCH MUST BE LEFT.

Canadian Authorities Demand Everything but the Pleasure.

Nothing said as yet about Seizing Piscatorial Photographs and American Fishermen are still permitted to bring home their rods.

Information of importance to Americans intending to visit Canada this year to enjoy the fishing is contained in the following communication from S. T. Bastedo, deputy commissioner of fisheries, Canada, sent to Frank J. Amsden, of this city 'We are having regulations prepared, and, among other things, perhaps the one that will interest you most is that a number of bass this year which any one will be allowed to take shall not exceed eight, and ten inches is the minimum size. I do not think there would be any charge at the customs office where you are carrying your rods with you, but no fish may be taken home. We allow you to come here and enjoy our fishing and charge you nothing for it ; but in former years where a certain amount of the catch has been allowed to be sent out of the country, this privilege has been abused. Parties have sent fish away by the barrel—in fact, we are informed, made a business of this in order to defray their expenses while here. Of course, there is only a certain class of fishermen who would do this thing, but the abuses have led to the privilege being denied to all.

Some years ago an arrangement was made between the American authorities and the Canadian government that certain districts west to Kingston and east as far as Ogdensburg, covering what is known as the Thousand Islands resort, should be a free international park, that the American Alien Labour Law would not be enforced so far as it applied to this district, and that Americans could fish there in Canadian waters and Canadians could come and go as they pleased. That has been acted upon for years. The Americans were to put up a certain number of pavilions and docks and make common pleasure resorts on their side if the Canadian government would do the same.

The improvements were carried out on the Canadian side, but the Americans have not carried out their part of the arrangement. This Mr. Bastedo is the assistant commissioner for the province of Ontario, he writes this as an official letter, and the result will be to prevent thousands and thousands of Americans from visiting the Canadian waters of the St. Lawrence this year because they are given to understand that if they come here to fish they cannot take the fish out of Canada. I do not know what arrangement exists between this government and the Ontario government in reference to fishing in Lake Ontario and the River St. Lawrence, whether this government has jurisdiction or not ; but I think when Mr. Bastedo sent out a document of that kind stating that Americans can come here and fish, but cannot take any fish home, he should have been sure of his ground. Of course we know that fishermen do not take any fish home, except perhaps when a gentleman takes a large fish which he may desire to express to his friends in New York, or take it to his hotel on the American side, as Canadians do who catch fish on the American side. I think the government should make an official announcement upon this matter so that the Americans may be notified that they can come and fish and spend their money in Canada, and if they choose to take half a dozen fish, they are at liberty to do so. I hope the Prime Minister will discuss this matter with the Minister of Marine and Fisheries and let this pronouncement go forth to contradict the statement that has been published broadcast in all the papers of the United States to the great injury of Canada.

PRINTING OF THE VOTERS' LIST.

Mr. URIAH WILSON. Before the Orders of the Day are called, I would like to renew my question to the Prime Minister with reference to the printing of the voters' list.

Sir WILFRID LAURIER (Prime Minister). With reference to this subject to which my hon. friend (Mr. Wilson) has more than once called my attention, some few days ago I wrote down to the King's Printer, and this is the information which was sent to me :

Since you last reported to the House upon the state of the printing of the voters' list we have been going on with the maritime province lists. Out of thirteen New Brunswick constituencies, twelve are done, and out of 17 Nova Scotia constituencies eight are done. No more of Quebec or Ontario have been done since your statement in 'Hansard.' The maritime province lists will all be done shortly, for they are nearly all in hand. Then I propose (if I get no orders to the contrary) to take up such of the Ontario lists first as will be valid for the longest time. Quebec province is half done as it is, and I propose to bring up Ontario to the same position and then go on 'pari passu.' The lists are taken up as the current work permits. The inclosed extract from my last report (which has been presented to the House) gives a good idea of the state of the business.

Mr. WILSON. The New Brunswick list has been printed twice since I have had one for Lennox. When I spoke before I had a New Brunswick list before me for 1904. I do not think this is fair treatment as I have not had any list since 1900.

THE ALIEN LABOUR COMMISSION.

Mr. R. L. BORDEN. I would ask the right hon. gentleman whether he has any answer to-day to the question I have submitted to him three or four times with regard to the constitution of the commission appointed to inquire with respect to alien labour. The right hon. gentleman has always said he would answer on some other day. I would like to know whether counsel had been appointed, and what was the mode of procedure before the commission.

Sir WILLIAM MULOCK (Postmaster General). Mr. H. M. Mowat, K.C., of Toronto, has been appointed counsel.

Mr. R. L. BORDEN. Was he appointed at first ?

Sir WILLIAM MULOCK No. He is in Winnipeg with Judge Winchester at the present time.

WAYS AND MEANS—THE BUDGET.

Hon. W. S. FIELDING (Minister of Finance) moved :

That the House go into committee to consider of the ways and means for raising the supply to be granted to His Majesty.

He said : Mr. Speaker, in presenting my eighth budget, I rejoice that I am in a position to congratulate the House upon the continuance, in a very large degree, of that prosperity which Canada has enjoyed for a long time. Some recent conditions have not been so favourable as some might desire. The severity of the winter, the unusually heavy snowfall in central Canada, the lateness of the opening of navigation on our inland waters—all these things have to some extent operated to disturb our ordinary business conditions ; but any disturbance of that kind will of course only be temporary. Far from complaining of the influence of winter, we should recognize the fact that we have compensation in other directions, for the steady cold season lends itself to that great lumbering industry which is so important to Canada. Jack Frost continues to be one of our best friends, and the Canadian winter one of Canada's most valuable assets.

There is some anxiety in the industrial world, among our manufacturers not because of any conditions which exist in Canada, but rather because of conditions which it is feared do exist, or are likely to exist, in other countries, and particularly in the great republic to the south. There is an opinion in the minds of our manufacturing people that the signs of depression which have already appeared across the border will continue, and that there may be a period of severe depression in that country the effects of which would be bound to cross the border in the shape of an increased and perhaps an illegitimate competition. We are not at liberty to ignore considerations of that kind. In the fixing of our own fiscal policy we are bound to take note of these things. Nor should we fail to point the moral of a depression that prevails in the most highly protected country in the world. There is a tendency in the minds of many who are strong advocates of a high tariff policy to believe that such a policy is the best guarantee of prosperity. Yet we have the remarkable fact to-day that our manufacturers in Canada are chiefly alarmed lest there should be a great depression in the very country where depression ought to be impossible, if high tariffs are a guarantee of prosperity. Indeed I think it would not be a mistake to say that as between the two countries to-day, the condition of business is better in Canada with a moderate tariff than it is in the neighbouring republic where they have the highest tariff known throughout the world.

There is much in the outlook to-day which calls for serious consideration, for careful thought and for careful action, on the part of men both in public and private life. But while there is need for thought and for caution, there is no need for discouragement. The business conditions of Canada generally, I believe to be sound, and our crop prospects are all that could be desired. There is no reason why we should not look forward with hope and confidence to a continuance of that great and growing prosperity for

which Canada has been so noted during the past few years.

Our last session of parliament was so protracted that before the close we were able to have presented to the House the outlines of the condition of the finances of the Dominion for the year which had then recently closed, and since then the public accounts have been laid on the table, so that only a passing allusion is needed to the finances of the year which ended on the 30th June, 1903. My estimate for the revenue of that year was $65,000,000. The actual revenue was $66,037,068.93, an increase of revenue beyond my estimate of $1,037,068.93. The estimate of the expenditure proved to be a very close one. The estimate was $51,650,000. The actual expenditure of the year was $51,691,902.76, being an increase of expenditure over the amount which I ventured to speak of in my anticipations in the last budget to the extent of $41,902.76. I estimated that we would probably have on the operations of the year a surplus of $13,350,000. The out-turn of the year gave us a surplus of $14,345,166.17. The surplus thus was nearly $1,000,000 more than the sum at which I placed it in the last budget speech. That surplus was the largest in the history of Canada. The revenue increased over 1902 by $7,986,287.90, while the expenditure increased by $932,510.79. Too often it happens in relation to the affairs of government and of public bodies charged with the administration of affairs that where you are blessed with an increase of revenue you also have a corresponding increase of expenditure, but we are happily able to point out that this is not the experience of this government in recent years, for in the figures which I have presented to you I have shown you that while in the year 1903 we increased our revenue by nearly $8,000,000, we only increased our expenditure on consolidated fund account by $932,510,79 :

FISCAL YEAR ENDED 30TH JUNE, 1903.

—	Actual.	Estimate.	Increase.
	$ cts.	$ cts.	$ cts.
Revenue	66,037,668 93	65,000,000 00	1,037,068 93
Expenditure	51,692,902 76	51,650,000 00	41,902 76
Surplus	14,345,166 17	13,350,000 00	995,166 17

Revenue underestimated by	$ 1,037,068 93
Expenditure underestimated by	$ 41,902 76
Surplus	$14,345,166 17
Surplus estimated in Budget Speech, 1903	$13,350,000 00
Results better than estimate by	$ 995,166 17

I have a statement of the principal sources of revenue during the year from which it will be seen that there was a comfortable increase all along the line. It reads as follows :—

DETAILS OF REVENUE.

Details of Revenue as compared with 1902.

Service.	1901-2.	1902-3.	Increase.
	$ cts.	$ cts.	$ cts.
Customs	32,191,978 47	37,001,726 90	4,809,748 43
Excise	11,197,133 40	12,013,779 00	816,645 60
Post Office	3,918,415 55	4,397,832 51	479,416 96
Railways	5,918,997 60	6,584,797 93	665,800 33
Dominion Lands	1,227,976 75	1,695,591 63	467,614 88
Miscellaneous	3,596,288 26	4,343,340 96	747,052 70
Total	58,050,790 03	66,037,068 93	7,986,278 90

The increase in the revenue of 1903 over 1902 is at the rate of 13¾ per cent. I have called attention to the different branches of the service in which the revenue has increased, and while it is gratifying to have such returns from all the departments, I should refer to one particularly, because, I think it is one in which the minister at the head of that department is deserving of the highest praise. I refer to my hon friend the Postmaster General (Sir Wm. Mulock). For many years the affairs of the Post Office Department were carried on with a large deficit. It seemed to be taken for granted that we could not conduct the affairs of that department without such a deficit. It will be well remembered that the late Minister of Finance and other members of the late government also took the view that it was impossible to grant any reduction in postal rates in Canada, because of the very large drain that there would be on the treasury in connection with that branch of the public service. When my hon. friend the Postmaster General came into power, he seemed to take a different view. He seemed to have faith in the idea that it was possible to have increased revenues and at the same to afford increased accommodation to the public. We know of the very important step which he took when he adopted a measure which gave us the blessing—the word is not too strong—of penny postage throughout Canada. I think it was Sir Charles Tupper who estimated that in adopting that system the Postmaster General was flinging away revenue to the amount of a million dollars. That is only another form of saying that you reduce the taxes on the people to the extent of a million dollars. We know, Sir, that the reduction was brought about, that there was a reduction of one-third in the rate of our common postage, that there was a reduction of a material

character in the postage to Great Britain. Notwithstanding all that, we find that at a time when we might reasonably look for a deficit, at a time when, if my hon. friend the Postmaster General had come before parliament and admitted that he had a deficit of a large amount he would still have had a splendid record in comparison with the record of his predecessors, but we have a different condition from that, and my hon. friend the Postmaster General is in a position to point out that while granting these reductions, he is able to have a larger revenue than ever before, and not only a larger revenue, but to wipe out his deficits and to convert them into surpluses. The deficit in the year 1896, as stated in the public accounts, was $700,997. There was an inquiry afterwards by a commissioner which resulted in some re-adjustment of the accounts, and I think that in the post office accounts, the figures differed a little from the figures in the accounts of the Finance Department, but, figuring one year with another, the statement will be found to be correct, and so I take the figures which are found in the accounts in the Finance Department. In 1896, as I have said, there was a deficit of $700,997. There were also accumulations of deficits not provided for which had to be dealt with by a special vote, and which are not referred to here. In 1897, the deficit was reduced from $700,997 to $586,539.

Mr. SPROULE. That was by a special vote ?

Mr. FIELDING. The special vote simply dealt with these accumulations.

Mr. SPROULE. That special vote provided for that deficit.

Mr. FIELDING. No, my hon. friend (Mr. Sproule) is wrong ; the special vote simply wiped out the accumulations of deficits which had accumulated in previous years. The accounts of the Post Office Department showed from year to year certain deficits, and these are the figures that I have quoted; but over and above that there were found these accumulations of arrearages, debts due by the post office which had not been dealt with, and my hon. friend the Postmaster General took a special vote to wipe these out and start afresh.

Mr. SPROULE. That is what I say.

Mr. FIELDING. That special vote was for the payment of past deficits and it had nothing whatever to do with the later deficit to which I refer.

Mr. SPROULE. That special vote provided for the deficit up to that date.

Mr. FIELDING. It was not the deficit that I am speaking of, but the deficits prior to 1896, the deficits that my hon. friend the Postmaster General had nothing to do with except to provide for them and wipe them out.

Mr. SPROULE. I say that is what he did.

Mr. FIELDING. The following statement will show the operations of the Post Office Department for several years :

POST OFFICE.

Year.	Revenue.	Expenditure.	Deficit.	Surplus.
	$	$	$	$
1896 ...	2,964,014	3,665,011	700,997	
1897....	3,202,938	3,789,478	586,539	
1898....	3,527,809	3,575,411	47,602	
1899....	3,193,777	3,603,799	410,021	
1900....	3,205,535	3,758,014	552,479	
1901....	3,441,504	3,931,446	489,941	
1902. ..	3,918,415	4,023,636	105,221	
1903....	4,397,832	4,105,178	.....	292,654

In 1899 there was a deficit of $410,021 ; that was the year when the reduction of postage took place.

As my hon. friend the Postmaster General has pointed out, if you compare service with service and omit the items for the Yukon and Atlin districts, there was in the year 1902 an actual surplus ; but I am taking the figures as they appear in the public accounts, and the total expenditure, including the Atlin and Yukon showed a deficit in 1902 of $105,221. In 1903, not taking into account service for service ; making no comparisons as respects the degree or service rendered at one time or another—though we know that these comparisons show very favourably to the present Postmaster General—but simply taking the results as we find them in the public accounts ; in the year 1903, instead of having a deficit of $700,000 as we had in 1896 with the three cent rate ; in 1903 we have a two cent rate (involving as Sir Charles Tupper said a gift of $1,000,000 to the people) and besides that we have a clear surplus in the Post Office Department of $292,000.

It will be found convenient for comparison to have a statement side by side for the two years as to all classes of expenditure, and therefore I present the following statement.

EXPENDITURE OF 1902-3 COMPARED WITH 1901-2.

Service.	1901-2.	1902-3.	Increase.	Decrease.
	$ cts.	$ cts.	$ cts.	$ cts.
Consolidated fund	50,759,391 97	51,691,902 76	932,510 79	
Capital.				
Railways	5,102,838 99	3,083,680 86		2,019,158 13
Canals	2,114,689 88	1,823,273 61		291,416 27
Public Works	2,190,125 09	1,268,004 51		922,120 58
Dominion Lands	370,837 97	449,542 20	78,704 23	
Militia	299,697 43	428,223 40	128,525 97	
Canadian Pacific Railway	448 70			448 70
Total, capital	10,078,638 06	7,052,724 58		3,025,913 48
Special.				
Railway subsidies	2,093,939 00	1,463,222 34		630,716 66
South African contingents and Halifax garrison.	247,741 45	130,469 53		117,271 92
Bounties on iron and steel, lead, &c.	791,089 38	1,408,252 60	617,163 22	
Total, special	3,132,769 83	3,001,944 47		130,825 36
Total, capital and special	13,211,407 89	10,054,669 05		3,156,738 84
Total expenditure of all kinds	63,970,799 86	61,746,571 81		2,224,228 05

In the year 1902, our expenditures of all kinds amounted to $63,970,799, and in the year 1903 our expenditures of all kinds were $61,746,571. The House may be surprised to learn that at a time when we might naturally look for an increase of expenditure, the gross expenditure for all kinds for the year 1903 was less by $2,224,228, than it was in the preceding year.

With regard to the fiscal year which will end on the 30th of June next, the year has so far advanced now that we are in a position to make a fairly close estimate as to what the actual outcome will be.

Mr. R. L. BORDEN. May I ask whether the statement is correct that you credit the income from Dominion lands to revenue and charge the expenditure to capital ?

Mr. FIELDING. There is no change in the method of dealing with that item. I am not sure but perhaps there is some room to debate as to whether those two items are dealt with properly, but however that may be, they have never materially altered the situation and no change whatever has been made by us in the method of dealing with them.

Mr. R. L. BORDEN. That is the fact ?

Mr. FIELDING. Well, certain portions of the expenditure in connection with Dominion lands arising out of the opening up of the Northwest and the development of the country are charged to capital account. That practice has been continued, although the receipts from the Dominion lands go into the general fund. There is possibly room for fair criticism as to the method employed in former years and at the present time in respect to that account, but it does not materially alter the general result which I am presenting.

I am glad to find that the revenue for the current year, of which the greater part has now expired, has continued very buoyant. The following table will show the revenue for the eleven months of this current year as compared with the eleven months of last year.

STATEMENT OF REVENUE TO MAY 31, 1904, COMPARED WITH REVENUE TO SAME DATE, 1903.

——	1902-3.	1903-4.	Increase.	Decrease.
	$ cts.	$ cts.	$ cts.	$ cts.
Customs	33,062,156 75	36,807,063 74	3,744,906 99	
Excise	10,945,061 82	11,915,964 77	970,902 95	
Post Office	3,833,269 28	4,167,398 20	334,128 92	
Railways	6,009,990 67	6,030,787 26	26,796 59	
Miscellaneous	3,874,904 88	3,796,903 42	.....	78,001 46
Total	57,725,383 40	62,718,117 39	5,070,735 45	78,001 46
			78,001 46	
Net increase	.....	.....	4,992,733 99	

It will be noticed that there has been a gratifying increase in customs, excise, and post office ; while there is a small decrease in miscellaneous revenues. There is on the whole a net increase of $4,992,733.99 in the general revenues up to date. There is a small increase of something over $20,000,000 from railways, but I am afraid when the time comes to present the statement of expenditure, it will be found that the showing is not so favourable, because the severity of the winter made all railway operation expensive, and in connection with the Intercolonial Railway there has been a very large increase of pay to the working men all over the line which will of course affect the statement for the current year. While the railway revenue shows some increase there will not be as gratifying a statement as we might desire on for the operation of the year. Our total revenue up to the 31st of May is as follows :

Revenue.

Total revenue received to 31st May, 1904	$62,718,117 39
Estimate for balance of year	8,311,685 53
	$71,029,802 92
Or, say in round numbers	$71,000,000 00

In reaching this estimate of $71,000,000, I am taking the receipts to date and for the balance of the year I am not allowing for any increase. There has been perhaps some little check in business owing to the causes I have mentioned, and I am not going to assume that for the balance of the year we will have an increase of revenue, although I am hopeful we may. I am assuming we will hold our own, and therefore on the basis of the receipts to May 31, and the continuance of the revenue for the remainder of the year to correspond with that for the same period of last year, I estimate that we shall have a revenue of $71,000,000. The total expenditure chargeable to consolidated fund to May 31, 1904, was $41,623,560.67. My estimate for the balance of the year is that in closing up the accounts we shall probably expend about as much as we did a year ago, namely, $12,731,931.12. This will bring the total expenditure chargeable to consolidated fund to $54,355,491.79 ; or say in round numbers $54,500,000.

I anticipate, then, that for the current year we shall have a revenue of $71,000,000 and an expenditure chargeable to consolidated fund of $54,500,000, leaving us the magnificent surplus of $16,500,000.

On capital account I estimate that we shall spend during the current year $11,500,000. If, then, we take into account the expenditure on consolidated fund, the expenditure on capital account, the surplus, the sums which we shall set aside as sinking funds, and which merely pass from one hand to the other and go to swell our assets, the result will be, I anticipate, that at the close of the current year we shall have reduced the net debt of Canada to the extent of $7,500,000.

It has been my happy privilege to present from time to time statements of prosperous years in which we have had many surpluses ; and I have thought that it would be well to summarize the surplus account during the eight years that this government has administered the public affairs of the country. In the year 1896-7, the first year that this government was in power—a year during which we had not full control of affairs, because we had taken largely the estimates of our predecessors—there was a deficit of $519,981.44. That was the last deficit, the end of deficits so far as we had anything to do with them. We find, then, the statement for the eight years to be as follows :

SURPLUSES FOR THE EIGHT YEARS, 1896-7 TO 1903-4.

—	Surplus.	Deficit.
	$ cts.	$ cts.
1896-7		519,981 44
1897-8	1,722,712 33	
1898-9	4,837,749 00	
1899-1900	8,054,714 51	
1900-1	5,648,333 29	
1901-2	7,291,398 06	
1902-3	14,345,166 17	
1903-4 (estimated)	16,500,000 00	
Total for eight years	58,400,073 36	519,981 44
Less deficit for 1896-7	519,981 44	
Total net surplus for eight years	57,880,091 92	
Average surplus per year	7,235,011 49	

It was the good fortune of our predecessors in the eighteen years during which they managed the affairs of the country to have some surpluses and some deficits. Taking them together and striking the average, we find that during the eighteen years of their administration they had an average surplus of $544,539.61, while during our eight years we have had an average surplus of $7,235,011.49.

The question of the public debt is always an important one. In a country like Canada, a comparatively new and young country, it would not be surprising if we had to show large increases of the public debt. I have on several occasions, in referring to decreases which we have been able to show, pointed out that no finance minister in a country like Canada need be ashamed if he has to come before parliament and acknowledge that he is increasing the public debt. That ought to be the normal condition in a young country like ours, with vast resources to develop, with improvements all around us waiting to be done, and with courageous men ready to do them ; but happily we are relieved from any such necessity. The following shows the net debt of the Dominion, beginning with the year 1896, and continuing down to the present date :

STATEMENT OF NET DEBT.

—	Net Debt.	Increase.	Decrease.
June 30	$ cts.	$ cts.	$ cts.
1896	258,497,432 77		
1897	261,538,596 46	3,041,163 69	
1898	263,956,398 91	2,417,802 45	
1899	266,273,446 60	2,317,047 69	
1900	265,493,806 89		779,639 71
1901	268,480,003 69	2,986,196 80	
1902	271,829,089 62	3,349,085 93	
1903	264,912,439 11		6,916,650 51
1904 (Est.)	257,412,439 11		7,500,000 00
		14,111,296 56	15,196,290 22
			14,111,296 56
Reduction in eight years			1,084,993 66
Average reduction per year			135,624 20

Thus we shall have this happy statement to present to the public, that we have carried on the public affairs of this Dominion for a period of eight years, during which we have engaged in large ventures and great improvements ; we have spent money liberally, our hon. friends opposite sometimes say lavishly ; we have generously provided for all demands for the public improvement of the country ; and we shall be able at the close of the eight years to say that we have not added one dollar to the debt of Canada. On the contrary, from these figures we shall probably be able to show that there has been a reduction in the net debt during the eight years of $1,084,993.66, or an average yearly reduction in our eight years of $135,624.20, against an average yearly increase in the net debt in the preceding eighteen years of $6,563,075.

In these statements respecting the public debt, I am confining myself entirely to the actual operations of the government, and the affairs with which we have had ourselves to do—those for which we are responsible and for which we may take credit, if credit there be, or blame, if the reverse be the case. There is however an item in relation to the public debt which I have ignored here. It will be remembered that at an early stage of the session a question arose as to the relation of the adjustment of the accounts of the provinces with the Dominion to the public debt, and I asked the House to suspend judgment on that point, because I had formed the impression that the method of treating that account in its relation to the public debt was not correct. After fuller inquiry, I am satisfied that an erroneous view was taken as to the effect of that settlement on the public debt. I do not wish to enter fully into that matter to-day. Later, however, I shall bring down a memorandum

from the officers of my department showing the position of the accounts. The question however arises, I may say, out of the appropriations made in 1884 by the parliament of Canada as allowances to the various provinces. Certain sums were set apart to the credit of each province, and while, as respects most of the provinces, these sums were immediately carried into the debt of the Dominion, in the cases of Ontario and Quebec they were dealt with in another form. They were not entered up as part of the debt but treated in another way to produce the same result, but I think it would have been more correct, as a matter of book-keeping, to have dealt with them as we did in the case of the other provinces. There has been from time to time discussion as to whether these sums constituted a capital sum of money belonging to each of these provinces, or whether they simply created an annuity. I have always considered that these sums were capital placed to the credit of the province of Ontario and Quebec, properly chargeable to the Dominion, and so long as they remain in the hands of the Dominion, of course they yield revenue to these provinces. It appears however that in the making up of the recent statement of affairs as between the Dominion and these provinces of Ontario and Quebec, the idea that these sums created an annuity ran into the minds of the officials. While they took into account the annuity or annual interest, they ignored the principal sum, and I am satisfied now that in a proper statement of the accounts, the best way would be to charge up that sum against the debt of the Dominion and credit whatever there is on the other side. However, I do not propose to dwell on that feature, but simply call attention to the erroneous view taken by the officials of the Finance Department, for which of course I am responsible, and by the Auditor General when these accounts were prepared.

Mr. R. L. BORDEN. Is this the matter which was discussed somewhat earlier in the session, about two months ago, and is the statement to which the right hon. gentleman refers the one he then promised to bring down ?

Mr. FIELDING. My deputy was absent in England and I stated that on his return I would have him investigate the matter and prepare a memorandum. He is doing so, and I will submit it to the House, though not perhaps in connection with the Budget, but I refer to it to show why I claim credit for less dimunition in the public debt last year than the public accounts show. In that respect the public accounts were in error, but the matter will be made right in the accounts of the present year.

Mr. R. L. BORDEN. Perhaps the hon. gentleman will see that it is brought down as soon as convenient. Two months have elapsed since the promise was made.

Mr. FIELDING. I have stated the substance more fully than I intended when I began. I am giving an explanation now almost as full as the one my deputy will be able to give in any memorandum he can make.

Mr. BELL. The matter, as it has been treated, would seem to decrease the public debt. As it is to be treated, will it have the effect of increasing the public debt ?

Mr. FIELDING. A certain sum, about $3,000,000, was found by the adjustment of accounts, to be payable by the provinces to the Dominion and was placed to the credit of the Dominion. The other item should have appeared on the other side of the accounts, but assuming it was an annuity, it was not treated as a principal sum. It will not materially disturb the figures I have given. I am confining my remarks to-day entirely to the operations of this government without reference to that item, which is a book-keeping entry relating to affairs of bygone years. In the statement we submitted we have drawn the line clearly between the reduction of debt brought about by our own operations and that which was assumed to be brought about through the operation of these accounts, so that the public accounts, while not strictly correct, in the matter, are correct in this respect, that we have drawn the line distinctly between the operations of this government and what is the result of a mere book-keeping entry. Whatever the result may be, it will have to be carried into the public accounts of the present year. The statement I have made deal with the income and expenditure of the government for the whole period of eight years and the result will be as I have said.

It will be interesting to have a statement showing how our interest account stands in view of this change in relation to the public debt. The manner of computing the interest on the public debt is by taking the gross receipts from our sinking fund and other investments. In 1896 the gross interest on our debt amounted to $10,502,429.90. Deducting from this the interest on sinking funds and other investments, amounting to $1,370,000.56, left a net amount of interest of $9,134,429.34. Following the figures down we find the following result :

—	Interest paid on Debt.	Interest on Sinking Funds and other Investments	Net amount of Interest.
1897.....	10,645,663 27	1,443,003 84	9,202,659 43
1898.....	10,516,757 90	1,513,654 58	9,003,103 32
1899.....	10,855,111 84	1,590,447 91	9,264,663 93
1900.....	10,699,645 20	1,683,050 51	9,016,594 69
1901.....	10,807,954 65	1,784,833 79	9,023,120 86
1902.....	10,975,935 15	1,892,224 09	9,083,711 06
1903.....	11,068,139 17	2,020,953 04	9,047,186 13

So that our net interest account for the year 1903 was $9,047,186.13 against $9,132,429.34 in 1896. Equally agreeable is a statement of the net debt per head.

Any statement of the general debt fails perhaps to convey a very adequate meaning to the mind unless we see what relation it bears to the ability of the country to pay it. As the country increases in population, we might have a considerable increase in debt without any increase in the burden, because the rate per head would not be advanced. The statement I am about to present differs a little from one of the same character which I presented on a former occasion, because the dates chosen are not the same I thought it well to have a statement showing the population on the same date as the debt is fixed, that is the 30th of June in each case. The census date was April. Take census figures for April and apply them to the debt of June 30 and you will lack some of the accuracy which is desirable. I have therefore had the statement of population made up in the Census Department as on the 30th of June of each year and of course the net debt statement is the 30th of June each year. The result is this, beginning with the year 1891 :

NET DEBT PER CAPITA.

—	Population.	Net debt.	Per capita.
		$	$ cts.
June 30, 1891	4,845,323	237,809,030	49 08
" 1892	4,896,739	241,131,434	49 24
" 1893	4,948,701	241,681,039	48 84
" 1894	5,001,214	246,183,029	49 22
" 1895	5,054,285	253,074,927	50 07
" 1896	5,107,918	258,497,432	50 61
" 1897	5,162,121	261,538,596	50 66
" 1898	5,216,899	263,956,398	50 60
" 1899	5,272,258	266,273,446	50 50
" 1900	5,328,205	265,493,806	49 83
" 1901	5,384,745	268,480,003	49 86
" 1902	5,441,885	271,829,089	49 95
" 1903	5,499,632	264,912,439	48 16
" 1904	5,557,991	257,412,439	46 31

We are so near the end of the year 1904, that we can make the estimate closely, and we anticipate that on June 30, 1904, the net debt of Canada will stand at $46.31 as stated in the above table, as against $50.61 on the 30th June, 1896.

My hon. friend the Minister of Customs (Mr. Paterson) thinks that I have hardly been liberal enough in estimating the population of Canada to-day ; I have taken the figures as they have been furnished by the Census Department, thinking that was the best way.

During the past year we have had some loan operations, the nature of which should be stated to the House although they have been in part already communicated to the House.

Mr. R. L. BORDEN. I would like to ask my hon. friend whether in his statement of interest on the public debt he takes into consideration temporary arrangements of overdue loans.

Mr. FIELDING. The interest on debt includes actual payments of all kinds for interest and of course that would include temporary loans.

On the 1st October, 1903, two of our sterling loans matured in London :

1. The Intercolonial guaranteed 4 per cent loan..	£1,500,000
2. 5 per cent Intercolonial unguaranteed loan..	500,000
	£2,000,000

The holders of these loans were paid in cash.

On the 1st November, 1903, the 4 per cent currency loan of 1883, which amounted to $2,781,000 on the 30th June, 1903, fell due in Canada. To the holders of this the government offered an extension for ten years at the rate of 3½ per cent. Advantage of this offer was taken by about one half of the holdings—$1,401,600—the balance being paid in cash.

On the 1st April, 1904, the 4 per cent Ruperts Land Guaranteed Loan of £300,000 fell due, and on the 1st May, 1904, the 4 per cent loan of 1874, of £4,000,000, matured.

The holders of the Ruperts Land Loan were paid off in cash and in the case of the 4 per cent loan of 1874 a portion of it, £2,500,000, was extended for three years at the same rate of interest, with the option to the holders at any time prior to 30th April, 1906, to convert their holdings into 3 per cent stock due 1st July, 1938, on a basis of £105 of the 3 per cent's for each £100 of the 4 per cent's. This would be the equivalent of a 3 per cent loan at about £95 4s. 9d.

While our buoyant revenues have enabled us to meet these liabilities to a very large extent we have not been able to meet them entirely. At the present time we have outstanding treasury bills to the extent of £1,000,000, and that is the only temporary in-

debtedness we have. The treasury bills now outstanding were negotiated as follows :

£400,000 due 6th October, 1904, at 3⅜ per cent.
£145,000 due 6th October, 1904, at 3½ per cent.
£400,000 due 7th November, 1904, at 3 per cent.
£55,000 due 7th November, 1904, at 2¾ per cent.

In the figures which I have given to the House, Sir, we have evidence of the general strength of the financial position of the Dominion, which I am sure will be equally gratifying to hon. members on both sides of the House. I shall submit to the House, as I have done on a previous occasion diagrams showing the growth of Canada's affairs from the year 1867 down to the present date. The eye sometimes receives these things more readily than the ear and these diagrams I trust, will be found useful. I shall not enter into detail in regard to them, but I shall state some of the principal evidences of our progress for periods of ten years.

TOTAL TRADE.

1873..	$217,801,203
1883..	230,339,826
1893..	247,638,620
1903..	467,064,685

TOTAL IMPORTS.

1873..	$128,011,281
1883..	132,254,022
1893..	129,074,268
1903..	241,214,961

TOTAL EXPORTS.

1873..	$ 89,789,922
1883..	98,085,804
1893..	118,564,352
1903..	225,849,724

RAILWAY TRAFFIC—TONS CARRIED.

1883..	$13,266,255
1893..	22,003,599
1903..	47,373,417

DEPOSITS IN THE POST OFFICE AND GOVERNMENT SAVINGS BANKS (30th June).

1873..	$ 6,121,490
1883..	26,219,107
1893..	41,849,656
1903..	60,771,129
30th April, 1904..	60,445,322

DEPOSITS BY THE PEOPLE IN CHARTERED BANKS IN CANADA (30th June).

1873..	$ 57,509,823
1883..	98,308,436
1893..	170,817,433
1903..	378,937,458
30th April, 1904..	405,157,450

DISCOUNTS (30th June).

1873..	$124,519,008
1883..	178,728,321
1893..	225,999,798
1903..	406,184,733
30th April, 1904..	447,970,492

These figures, which will be found in very much more detail in the diagrams which will be distributed, give very gratifying evidence of the great increase in trade and wealth which has taken place in Canada and of which hon. members on both sides of the House are, I am sure, equally proud. While the condition of the country generally has been good, we have reason to be particularly grateful for the splendid prosperity which has come to the great Northwest. All portions of our Dominion have equal demands upon us, and all portions are, I trust, receiving from the government and parliament their fair share of consideration ; but all portions have not equal inducements to offer to the immigrants who are seeking for homes. The vast territories of the Northwest offer inducements to the land hungry such as the eastern provinces cannot be expected to hold out, and naturally the efforts of my hon. friend the Minister of the Interior (Mr. Sifton) and the officers of his department are chiefly turned to the important duty of filling up the vacant lands of the Northwest. I wonder if we are able to appreciate the vast extent of land still available in these Territories. Canada is a country of such magnificent distances that sometimes it is difficult for us to understand and appreciate the vastness of that territory.

Dr. Wm. Saunders, of the Experimental Farm, in an admirable article in the April number of the 'Canadian Magazine,' has discussed the question of wheat-growing in Canada, and he has given some estimate of the available land in the Northwest Territories for that branch of farming. The figures that he gives are as follows :

	Acres.
Manitoba..	27,000,000
Assiniboia..	50,000,000
Saskatchewan..	52,000,000
Alberta	42,000,000
Total..	171,000,000

It is thus estimated—

Says Dr. Saunders,

—that there are within the limits referred to, after making allowance for lands unfit for agriculture, about 171,000,000 acres suitable for cultivation, by which is meant land of such degree of fertility as to admit of profitable farming.

Further on Dr. Saunders deals with the question of the ability of Canada to supply food for the mother country, and the statement he makes on that question—perhaps hon. gentlemen have had their attention already drawn to it—is well worthy of being repeated. It is headed in the publication I have mentioned, 'A Reasonable Prophecy' :

The total imports of wheat and flour into Great Britain in 1902 were equivalent in all to about 200,000,000 bushels of wheat. Were one-fourth of the land said to be suitable for cultivation in Manitoba and the three provisional

territories under crop with wheat annually, and the average production equal to that of Manitoba for the past ten years, the total crop would be over 812,000,000 bushels. This would be ample to supply the home demand for 30,000,000 of inhabitants (supposing the population of Canada should by that time reach that figure) and meet the present requirements of Great Britain three times over. This estimate deals only with a portion of the west, and it leaves the large eastern provinces out of consideration altogether. From this it would seem to be quite possible that Canada may be in a position within comparatively few years, after supplying all home demands, to furnish Great Britain with all the wheat and flour she requires and leave a surplus for export to other countries. With a rural population on the western plains in 1902 of about 400,000, over 67,000,000 bushels of wheat were produced. Add to this the wheat grown in Ontario and the other eastern provinces and we already have a total of over 93,000,000 bushels. These figures are full of promise for the future of Canada as a great wheat-producing country.

It is natural to conclude that, with such a territory to offer to the people, all that is necessary is that its resources and character be made known, when it must attract people from all parts of the world. For a long time the hopes of the Canadian people with regard to the Northwest were hardly realized, although they had spent vast sums in opening up that territory, and every effort was made no doubt to bring people in. But for one cause or another, whatever it may have been, the rate of progress for some years was slow and unsatisfactory. But in recent years we have nothing to complain of on that score ; there has been a very gratifying increase in the influx of immigrants to that territory. My hon. friend the Minister of the Interior has spent money freely in advertising Canada, and the time has come when the Dominion is reaping a rich harvest, and when all will admit that the money he has expended for that purpose, and which, at one moment, some were disposed to look upon with doubt, is now bearing rich fruit for the building up of this Dominion. I find that the arrivals of immigrants into Canada during the past eight years appear as follows :

Years.	Number.
1896 (calendar)	16,835
1897 "	21,914
1898 "	31,900
1899 "	44,543
1900 (1st 6 months)	23,895
1901 (fiscal)	49,149
1902 "	67,379
1903 "	128,364
1903 (calendar)	134,370

The origin of these immigrants for the calendar year 1903 appears as follows :

British	50,141
Continental Europe	48,046
United States	46,183

We are glad to know that the immigration work continues actively during the present year, and no doubt at the end of the season a very gratifying story can be told.

Glance now for a moment at the extent to which homestead entries are being taken up :

Calendar Year.	
1896	1,857
1897	2,407
1898	4,848
1899	6,899
1900	7,850
1901	9,108
1902	22,215
1903	32,682

As an evidence of the growth of that country, look now at the sales of land by railway companies who have had land grants, and by the Hudson Bay Company :

Year.	Acres.	Amount.
1896	108,016	361,338
1903 (fiscal)	1,229,011	14,651,757

Last year, Mr. Speaker, we introduced, in connection with our tariff legislation, an important change, which we believed was rendered necessary for the defence of Canadian interests. We thought that one of the great nations of the world had not treated us as fairly as we ought to be treated, and in self defence we adopted what was called the German surtax. I have nothing now to add on that subject, except to call the attention of the House to the effect that that surtax has had upon trade between the two countries. Prior to the adoption of the surtax the imports from Germany to Canada were increasing ; under the operation of the surtax, not only has the increase been arrested, but there has been a very considerable diminution. For the ten months from the 1st of July, 1892, to the end of April, 1903, the total dutiable imports for consumption from Germany amounted to $8,648,600, while for the corresponding ten months of the current fiscal year they only amounted to $5,367,162—a falling off of $3,281,438, or a decline of 38 per cent. To illustrate in a concrete way the result of the surtax, the importations of raw sugar might properly be referred to. During the last fiscal year 174,000,000 pounds of this commodity were imported from Germany, but since the surtax was applied not a pound has been imported under it from Germany. All that trade has been diverted to the British West Indies, including British Guiana. The importations of raw sugar from the British West Indies, including British Guiana, for the ten months ending with April of the current fiscal year, amounted to 188,000,000 pounds. For the corresponding period of the previous year the imports from the British West Indies amounted to 46,515,355 pounds ; estimated from British Guiana, 23,000,000 pounds—in all, 69,000,000, as compared with 188,000,000 pounds for the same period of the current fiscal year. Statistics show that

the surtax has resulted also in reducing the importations of woollens, cottons and silk goods, and articles of iron and steel. There is nothing new to be said on that question. We regret that we felt obliged to take that step, and we think that on the whole it has operated to the advantage of Canada, and it has certainly commanded the attention of the wide world. I think that the almost universal opinion has been that the action of the government of Canada was fully justified.

It is now seven years since we had a revision of the tariff. Some changes have been made, but nothing very material. That tariff, I venture to say, has on the whole proved most satisfactory. It has proved a good revenue tariff, as we are bound to conclude from the figures I have given to the House. It has included a considerable measure of incidental protection, and in that respect it will command the admiration perhaps of some hon. gentlemen opposite, who are more anxious for protection than some of us on this side of the House.

Mr. CLANCY. What an abomination that measure of protection is.

Mr. FIELDING. I think, Sir, as to whether or not it is adequate protection we have some evidence of a gratifying character that the tariff, without being excessive is high enough to bring some American industries across the line and a tariff which is able to bring these industries into Canada looks very much like a tariff which affords adequate protection. If my hon. friends opposite wish to see some of the good results of the tariff let them go up to the city of Hamilton and look at the vast industries which have been established there by American capitalists who have come across the line under the operation of this tariff, and who are now engaged in carrying on very large businesses. Let them go to the city of Toronto and they will find similar organizations of American capital starting in the manufacturing business. So, we are able to say that not only has the tariff been a great revenue tariff, but one which has afforded a reasonable degree of incidental protection and one which has brought about, as far as these industries is concerned, very gratifying results.

In our tariff of 1897 there was one new feature of great importance. I refer to the question of the British preference. The desirability of a preferential system between the mother country and the colonies of the empire had long been considered and long been recognized. On both sides of politics it was considered a desirable thing that there should be a preference as between the mother country and the colonies as far as possible. Colonial conferences met from time to time and passed resolutions in favour of such a system, but some how or other no progress seemed to be made. Why ? Because the proposal which was then made was one which Great Britain, at that time at all events, was not prepared to agree to. Hon. gentlemen opposite have differed from us to some extent on that question. They have argued—and I think that I do them no injustice when I say so—that we should not have granted that preference to Great Britain without obtaining a corresponding preference from the mother country. Our view was that no progress could be made along those lines We did not feel that it was possible to start the English people by any such methods. Looking at it from that point of view we felt that the true method for Canada to pursue was to make a start and await developments. In the speech which I had the privilege of making to parliament in introducing the preferential tariff, I used these words :

> Somebody must make a move in this matter, and we propose that Canada shall lead the way.

Now, Sir, looking back over the history of these eight years, I can fairly well say that in leading the way at that time on this great question Canada took a step which has had wide-reaching effect throughout the British empire. We have found that even in the portions of the empire where they have not yet been able to follow our example they have spoken with the warmest admiration of the course which Canada has pursued and they have recognized that in that step much was done for the development of the empire. But, we have not been without some material results. We think, that, even though Great Britain has not formally adopted the preference, good undoubtedly has come to us from the better relations which have prevailed in a business way between the mother country and Canada, and we feel that some advantage has come to us. We know that the great colony of New Zealand has adopted a similar preference and that it is now in operation. Some months ago a conference was held at Bloemfontein of the various colonies of South Africa. At that conference there were represented the various states of South Africa—Cape Colony, the Transvaal, Southern Rhodesia, the Orange Free State and Natal. They agreed to follow in principle the example of Canada, but it was necessary, however, for their various parliaments to take action in carrying out that principle. We now know that recently action has been taken by these colonies and that on the first day of July next the principle of the preference will be adopted throughout all the South African colonies. Whether or not this preference will in all respects be exactly adapted to our conditions is a matter to be considered hereafter. All I am claiming now is that when Canada led the way in 1897

she was leading in a movement which was destined to be of vast importance to our imperial interests everywhere throughout the world. But, perhaps, the greatest change that has come, has been brought about in the mother country itself. We quite realized in 1897 that it was too much to expect the British people to immediately adopt a policy which many of them regarded as at variance with the traditional policy of Great Britain. But, what have we found in recent years? For a long time the movement seemed to make little or no progress. Everybody in England admired the action of Canada, but there was no movement towards reciprocity until the matter was taken up by that very able public man, Mr. Joseph Chamberlain. It is a curious fact that at the opening of the colonial conference in 1892 Mr. Chamberlain made a speech in which he rather minimized the value of the Canadian preference. We had a strong hope that before the conference ended and after he had had an opportunity of studying the question more fully his views in that respect would be modified. Of course, the proceedings of the conference were not made public. The public received Mr. Chamberlain's initial speech in which he rather minimized the effect and value of the preference, but they did not receive the discussions which occurred. My belief is that as a result of all the discussions which took place Mr. Chamberlain at the end of the conference found himself enthusiastically in favour of the preferential idea and determined if possible to carry it out. We know what followed. After the matter was discussed at the colonial conference and after the lapse of a few months, Mr. Chamberlain publicly announced his determination if possible to bring about such a policy for the mother country. For that purpose he left the administration and conducted a series of remarkable meetings throughout the country. We have found ourselves in this position in regard to the question that the matter has now become one of party controversy in the mother country. It is unfortunate that it is so. It is not so with us in Canada. We may differ in detail, but I think I am justified in saying, and I think hon. gentlemen opposite will not find fault with me in saying, that practically the two great political parties in Canada are a unit to-day in favour of the principle of preferential trade. Though they may differ as to particular items of detail or as to the best method of bringing it about, there is practically no difference in Canada. But, there is a very great difference in the mother country and it has become a matter of party controversy. We find to-day in England that the Liberal party is practically united in favour of what they call the free trade policy and they regard a preference in England as at variance with the free trade idea. In the Conservative party there are very many advocates of the preferential system, but it appears to have been agreed to on both sides now that the matter should be laid aside for the present. Although there may be details in Mr. Chamberlain's plan which we are not called upon to deal with, and which we do not know to-day how we can deal with, inasmuch as he has practically taken up the Canadian policy, adopted it and recommended it to the British empire, to that extent we are heartily in accord with Mr. Chamberlain. Whether or not on all details we can agree with him or what his ideas may be in other matters, these are subjects which are frequently discussed, but which we are not called upon to deal with. I do not anticipate that in the early future there will be any change in the attitude of the mother country on that question. I anticipate that for a while, although the question will be discussed here and there, it will not be as warmly advocated, it will not be such a public issue as it was a few months ago. But, let there be no mistake in that respect. A question of that character which has an imperial side to it, and a question which enlists the warm and enthusiastic support of a man of such ability and force of character as Mr. Chamberlain, is certainly not going to remain a dead letter although in the early future we cannot expect any great results from the movement. What should be our own action in the matter? We may be influenced in our own preferential policy by what may occur in the mother country in the hereafter. We shall claim a free hand in that respect, but for the the present we think it is wise policy to adhere to the preferential system, in the hope that it may be adopted more generally throughout the empire, and that by and by a better understanding may be come to in the mother country and that it will be adopted there as well. It has been sometimes said that Canada should take some further action in endorsing that principle. I do not think we are called upon to take any step beyond that which we have already taken. The attitude of Canada has been clearly laid down at the colonial conference, and while every phase of the government policy has been discussed in this House there has been practically no exception taken to the position assumed by the government at that conference on the question of preferential trade. Now that the matter has become one of party controversy in England, we naturally hesitate to take an active part in it. We are free to say what we think is best for Canada; we are even free to say that we think this system of preference is capable of doing good to the empire. But when we know the matter has become one of party strife in Great Britain, I think it would

be unseemly on our part if we were to attempt to throw ourselves between the two political parties over there, and take any active part in the movement. We must be content with stating our position, as it has been stated in the past. We on this side of the House accept the principle of preferential trade. We believe that, while differing in some details, hon. gentlemen opposite will not differ from us on the principle, and therefore we say to the English people that Canada is practically a unit in support of the principle of preferential trade. We must be content to leave the matter at that for the present.

We have some tariff changes to propose this session, but we have no intention of making any extensive tariff revision. Many items in the tariff, I might be almost justified in saying that almost every item in the tariff, bears a relation to some other item, and it becomes necessary to have a very careful inquiry before any detailed revision be undertaken. Before the last revision of the tariff, a commisison composed of members of the administration held a very extensive and thorough inquiry among the business men of the country; all interests were heard and I am sure much valuable information was obtained. Before we could attempt to deal with all the details of the tariff, it will probably be the part of wisdom to have that commission or some such body make some such inquiry. The ministers in one way or another will have to make a thorough investigation before any detailed tariff revision can be undertaken.

But, while we may not be prepared to deal with the details now, there is no reason why we cannot foreshadow the lines upon which the tariff revision might take place. We have to-day practically three tariffs. We have the British preference, we have our general tariff and we have the German surtax. I think it would be found wise in any revision of the tariff that may take place, to continue these distinctions, and to perhaps deal with them more in detail. I think it would be the part of wisdom that we should still have separate tariffs to apply to separate countries, in order that we may be able to deal fairly with the countries that want to trade with us, and to deal less generously with those countries which pursue a somewhat hostile course towards us. We have to-day practically a maximum and a minimum tariff if I may so describe it, and then we have the British preference below that again. It would be well that in the revision that may take place, we should adopt that principle as it now exists and deal with it more in detail. I think it would be well for us to have a maximum general tariff and a minimum general tariff, and the British preference below that as we have it to-day. The maximum tariff would only be applied to those countries which pursue, if I may so call it, a hostile policy—I do not mean to say that they have any hostility to us, but simply that in the carrying out of their own affairs they adopt a trade policy which discourages trade with us. In that case, they cannot complain if we have a maximum tariff, and though we should guard against having an extreme tariff, we would be justified in saying that this tariff should be materially higher than the tariff which we are prepared to extend to other countries which are willing to trade with us on fair and reasonable terms. The minimum general tariff, which would correspond to the general tariff to-day, would apply to such countries as do not legislate commercially in a spirit of hostility to us—perhaps that is not happily expressed; let me say, to countries that adopt more moderate tariff views; low tariff countries. Of course where there are favoured nation treaties in existence they have to be considered, but the principal nations which to-day adopt a high tariff policy have not any favoured nation arrangement, and therefore I think our hands will be free in that respect. So, we would have a maximum tariff as we have the German tariff to-day, to apply to such countries as do not manifest a disposition to trade with us. We would have a minimum general tariff to apply to countries that are disposed to trade with us, and then below that we would have the British preferential tariff to apply to the mother country and to such colonies of the empire as it may be expedient to extend the benefit of that tariff to. I think, Sir, that on this line, guarding carefully against extortionate duties, but also making a distinction between the countries which wish to trade with us and the countries that do not wish to trade with us, I think we can devise a tariff which will be in all its details fairly satisfactory to the country.

Mr. R. L. BORDEN. I do not know whether I quite follow the hon. gentleman. Is it his suggestion that we should apply a higher tariff to other countries which have high tariffs against us, although they may treat us exactly in the same way they treat all other countries.

Mr. FIELDING. Yes, I think we should do that. Although, if there be special cases of countries which treat us with exceptional unfairness, we would still have to deal with them by special legislation as we have done in the past.

One advantage which we might derive from the treatment of the question as I have suggested, is, that we could deal with separate articles. Very often a general rule will work out some disadvantages when applied. Under our present system, our British preference is one-third off everything, and there may be cases in which that works unequally. There may be cases in which we could afford the one-third off; there may be cases in which we can afford more than

one-third off. There would consequently be some advantage to us in having in our tariff columns a maximum general tariff, a minimum general tariff and a preferential tariff; with each individual item stating in each case what the preference should be, and what the difference is to be. This would strike me as being the line upon which a tariff revision might properly be undertaken.

But, Sir, though we speak of that as an outline of the method by which there might be a detailed tariff change, we have to consider the question of things as they are to-day. We desire to deal with certain things as they present themselves to us to-day; we desire to deal with matters of urgency, reserving the question of a more general and more detailed tariff revision until an early date—I would say hopefully next session, but at all events as soon as a proper inquiry can be made.

As I said, we propose to deal with some articles to-day. One of the first matters to which I wish to make reference is the wool industry. Very much of the criticism of the tariff respecting the wool industry, is, I am inclined to think, unjustified. What I mean is that as respects some of these industries no amount of tariff could save them from trouble. From the information I have received, I may say that in every one of these industries there has not been the perfection of management which is necessary in these days of keen competition. I am afraid that they are not all equipped with the most modern machinery; I am afraid that they have not all put themselves in a condition which would enable them to fully enjoy the benefits which the tariff already holds out to them. But, while there may be cases of that kind—and my information is that there are such cases—still the representations that have been made to us lead us to the belief that the woollen industry is suffering severely from competition, and we propose to deal by a special item in our tariff with that industry.

The complaint is made very largely by our woollen manufacturers and by various public men who sympathize with them that although on the better grades of goods they can fairly compete with all persons, even the British manufacturer, a very large proportion of the imports of British woollen goods coming into Canada are really shoddy, goods of an inferior character, against which we ought to legislate; and it is alleged that any increase which we might make in the woollen duties would have the effect of shutting out, not the purer woollen goods, but the shoddy goods. That is argued with much force, and I am inclined to believe that there is something in it. However, we propose to deal with the matter in this way. Our present duty on the class of goods which I may describe as cloths, tweeds, overcoatings, wearing apparel, and goods of that character, is 35 per cent, subject to the preference, which brings the duty on British goods down to 23⅓ per cent. We do not propose to increase the general tariff, but we propose to put a limit on the extent to which the preference shall apply to these goods. We propose to fix a minimum tariff of 30 per cent on this class of goods coming in under the preferential tariff. This change will apply to all woollen goods mentioned in the tariff item 394, with the exception of blankets, flannels, bed comforters and counterpanes, which are placed in a group by themselves.

We deal in a similar manner with the item of twine and cordage. These goods to-day are subject to a 25 per cent tariff, subject to the deduction under the British preference, which brings the rate of duty down to 16⅔ per cent. This is a lower rate of duty than even the most moderate tariff man usually is willing to impose, and we propose to fix a minimum duty of 20 per cent ad valorem, on that class of goods coming in under the British preference. That refers to twine and cordage, but does not touch the privilege already granted to fishermen, and does not touch binder twine.

While in the items I have mentioned the degree of preference we have been giving may work inconveniently, and it may be convenient to grant a less preference than one-third, in other items it may be equally convenient to grant more preference.

On table ware of china, porcelain or other clay, the duty at present is 30 per cent, with one-third off when imported from Great Britain, bringing it down to 20 per cent. We propose to reduce this to 15 per cent, so that in that case the British preference instead of being one-third will be one-half.

We deal in like manner with window glass, the duty on which at present is 20 per cent, with one-third off when imported from Great Britain. We propose that the duty on window glass imported from Great Britain shall be reduced to 7½ per cent. In these two cases the preference to Great Britain is increased, in the case of the woollens it is decreased.

In item 330, schedule A, there is a group of articles from which we want to strike out pails and tubs of wood. The effect of that is to throw them into the general classification of wooden goods, so that they will be dutiable at 25 per cent instead of 20 per cent, as they now are.

In item 323 of schedule A we propose to add a qualification. The item refers to the duties on carriages. We propose to put a minimum value of $40 on an open buggy and a minimum value of $50 on a covered buggy.

We propose to insert in the list of prohibited goods an item to exclude stallions and mares of less value than $50 each.

In item 203 of schedule A we deal with the duties on glass imported in certain conditions. At present there are three rates on that class of goods. I am referring

to glass bevelled or to be bevelled, and used by manufacturers. The rates at present are 25 per cent and 35 per cent on different grades. We propose to make another rate of 10 per cent, which will apply to glass panes not exceeding 7 square feet, such as are imported for use in the manufacture of mirrors. As the matter stands now, it has been shown to our satisfaction that the manufacturer of these goods suffers competition under the British preference, but cannot import the raw material under it. The British manufacturers of these goods are few in number, and will not sell them for export in the condition desired by our manufacturers. They prefer to send them out in the form of the finished product. The result is that the manufacturer in Canada has to import his raw material from foreign countries under the full tariff and to compete with the finished article imported from Great Britain under the preference.

I suppose that during the various discussions of the tariff question no item has been more fully debated in this House and outside than that of the duty on oil. Oil, of course, is an article of universal consumption. Even in the cities and towns it is the light of the poorer classes, while in the rural districts it is the light of everybody. It is not surprising therefore that frequent reference is made to the duty on that article and frequent motions have come from both sides of this House looking to the repeal of the duty. From the consumer's point of view merely it might seem reasonable enough to repeal the duty on oil, but there is another side to the question, and those charged with the responsibility of dealing with this matter—not merely the members of the government, but members of parliament who have given it attention—have to recognize that the oil industry has a fair claim on our consideration, and if the repeal of the duty were to wipe out the oil industry in Canada, I am sure that no person on either side of the House would desire to see such a result. What we desire to do is to bring about a reduction in the duties on oil, in such a way that the consumers shall have cheaper oil, and that no injustice shall be done to the oil industry, but that it shall have as fair a chance as others. There are two divisions of the oil industry. Sometimes this is not understood. Sometimes there is an impression that the only people interested in the oil industry are some one company, like the Standard Oil Company, which is supposed to control the principal oil refinery at Sarnia, the local name of which is the Imperial Oil Company. But there are two interests to be considered in the oil industry—the interest of the oil producer and the interest of the oil refiner. They are not always the same. The oil refiners are sometimes also owners of wells, but there are many hundreds of owners in Canada of oil wells who have no interest whatever in the refineries. They are simply producers of crude oil. So we have to consider under what tariff the refining industry may still be conducted in Canada, and under what conditions the production of crude oil may be continued. The situation has been made more difficult by the fact that the crude oil industry in recent years seems to be waning. Unfortunately, the production of crude oil of late years has not increased. No doubt when the duties were established many years ago the idea was that the production of crude oil would increase, and we would ultimately be able to supply our own requirements. But that has not happened. For some years the production of crude oil has been diminishing, and, though we have large refineries in Canada, they are really working but a part of their capacity. The question is, on what conditions we can provide sufficient crude oil to give employment to the refiners, and, at the same time, deal fairly and generously with the people who have invested their money in the industry of producing crude oil. The method on which we have determined is to aid the crude oil industry by a bounty. We will allow a bounty of 1½ cent per gallon to the producers of crude oil in the Dominion. That will not be a heavy burden on the treasury. I shall make a comparison between what we give in that way and what the people will receive in another way. The duty on refined petroleum a few years ago, when this government came into power, was 6 cents per gallon and was reduced to 5. We propose to cut the present duty in two, and make the duty on coal oil 2½ cents per gallon. That will be a reduction of 50 per cent on the oil duty, as it now stands, and 58 per cent on the oil duty as it stood when this government came into power. Let us see how this will affect the people in a financial way. The consumption of refined oil and naphtha in Canada for the calendar year 1903 was as follows :

	Gallons.
Canadian oil..	7,755,790
American..	17,999,660
Total..	25,755,450

gallons refined oil consumed by the people of Canada last year. It is only reasonable to suppose that the 5 cents duty increases the cost of the home produced article as well as of the imported article. If, therefore, we reduce the duty 2½ cents per gallon, that reduction, so far as the consumer is concerned, applies practically, not only to the 17,000,000 or 18,000,000 imported, but would, of course, bring down the price of the Canadian article to the same extent.

Mr. HENDERSON. Theoretically.

Mr. FIELDING. Not only theoretically, but absolutely certain, because if the price

comes down in the one and not in the other, the other will not be consumed, so that the effect of this reduction will be an immediate reduction in the price of oil at the refineries in Canada, and from the refiner to the various distributing companies, and from these to the shop-keepers, and in due season it will reach the consumer. If it be true that the consumer pays the duty, I presume he will pay this as well as others, and there is not much doubt that the consumer pays an increased price, under the present system, not only on the imported oil, but on the Canadian as well. We have a consumption in Canada of 25,755,450 gallons. The saving to the people of 2½ cents per gallon on that quantity will amount to $643,886. We will pay a bounty only on the crude oil produced in Canada, which amounted last year to 16,852,640 gallons. Observe that the bounty being paid only on the Canadian crude will apply only to a limited quantity, whereas the reduction of price will apply to the whole consumption, whether Canadian or American. We find then the saving to the people by this policy of $643,886 in the shape of reduced price on oil. On the other side of the account, the people will pay out, through the treasury, $225,789 in the way of bounties. Deducting the amount which the people will pay from the sum which they will receive, there is a net gain to the consumer on the year's operations of $390,097. Besides, the people will receive further advantages by having fuel oil placed on the free list, and that is an important item to manufacturers who use oil as a fuel. There will be a further advantage in a reduction of the duties on all the products of petroleum. Thus, paraffin wax candles are reduced from 30 per cent to 25 per cent ad valorem, and paraffin wax is also reduced from 30 per cent to 25 per cent ad valorem. Illuminating oils of the highest grades are reduced from 25 per cent to 20 per cent ad valorem. Crude petroleum of the highest character, the duty on which is now 2½ cents per gallon, will be reduced to 1½ cents per gallon, while petroleum in the cruder forms will be on the free list.

Mr. OSLER. Will oil used by gas companies for the manufacture of gas be on the free list ?

Mr. FIELDING. Yes, except in the higher grades. If advanced in its manufacture it will not be on the free list, but will pay 1½ cents per gallon instead of 2½. In the cruder form it will be free. In these we have given very large reductions. We propose to abolish also the duty on molasses, but only when imported from countries entitled to the preference, that is to say, molasses from the British West Indies. That is now dutiable at 1¾ cents per gallon, and we put it on the free list, believing we will thus not only encourage trade with the British West Indies, but reduce the price materially of an article much used by the working classes.

We propose to transfer to the free list a number of articles which I have not yet mentioned, some of which are not very important in themselves, but have importance in relation to the industries with which they may be connected. We were asked to place goats on the free list of animals imported for the improvement of stock, and this we propose. We were asked to put whale oil soap on the free list, because it is an article much used by nurserymen, and we are agreeing to that. We were asked to put on the free list hydro-fluo-silicic acid, used largely by miners in their smelting and mining operations, and we have decided to comply with that request. We have also put on the free list what is known as plain basic photographic paper, baryta coated, for albumenizing or sensitizing, used by photographers. We also propose to admit free glass of certain sizes for the making of dry plates for photographic purposes. The paper is at present charged 35 per cent duty and the glass 20 per cent. Neither of these articles is made in Canada, and we have reason to think that by placing these articles on the free list we can bring into Canada a very large and important industry. We shall lose no revenue on it, because it is not a large item, but our expectation is that by transferring this to the free list we will bring into Canada a very important industry.

We have been asked to put on the free list also for the benefit of the farming population, what are known as ferment cultures for use in butter making, and this we propose to do.

We propose that printing presses, not made in Canada, at present paying 10 per cent, shall be made free.

We propose that machinery of a kind not made in Canada, when imported for the manufacture of linen shall be made free. We have reason to believe that in this way we can encourage the development of the flax industry in Canada.

We propose that machinery of a kind or class not made in Canada for the manufacture of certain classes of brass goods shall be placed on the free list. The goods which these machines will make are at present on the free list and we propose to assist the manufacturers by giving them free machinery.

We propose also to include on the free list, at the request of the dentists of the country, artificial teeth.

We propose to put on the free list, at the request of the farmers of the country, quassia juice which is used in spraying.

We propose also to place on the free list, crude petroleum, fuel and gas oils, 40 Beaume gravity or less at 60° temperature, .8233 specific gravity.

We propose to put on the free list well-drilling machinery and apparatus of a class

or kind not made in Canada for drilling for water or oil: this is not to include motive power.

We made provision last year for the placing on the free list of certain machinery of a kind not made in Canada for use exclusively in alluvial gold mining for one year; we propose to extend that for one year.

There are one or two changes which do not affect the duties but relate solely to the administration of the department. In item 608 we propose to strike out all the words after the 'United Kingdom' in the third line. The item refers to the importation of tea. It now requires that there shall be an English certificate as to the character of the tea. We are advised that this certificate is of no substantial value, but imposes some charge upon our importers, and our own Customs regulations for the examining of tea are ample. We therefore propose to strike out the requirement for the English certificate.

There is an amendment to the item in the tariff respecting the duty on spirits. It does not, however relate to the rate of duty in any way; it is simply a matter in the administration of the department, an amendment to the form of the item, and therefore I shall pass it over.

Item 462 of Schedule 'B,' that is, on the free list, related to philosophical apparatus, for the use of universities, schools, &c. We repeal that item, and re-enact it in a larger and more ample form as follows:

462. Philosophical and scientific apparatus, utensils, instruments, and preparations, including boxes and bottles containing the same, of a class or kind not manufactured in Canada, when specially imported in good faith for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific or literary purposes, or for the encouragement of the fine arts, or for the use or by order of any college, academy, school, or seminary of learning in Canada, and not for sale, subject to such regulations as the Minister of Customs shall prescribe.

We have had some representations from the manufacturers of neckwear who have made it clear that they suffer some disadvantage, very much of the same nature as that which I have mentioned in connection with certain classes of imports, that is to say that the finished article comes in under the British preference while they are obliged to get the raw material from countries to which the British preference does not apply. We therefore propose to provide a special rate of 10 per cent for silk fabrics when imported by manufacturers of men's neckwear for use in their factories under regulations to be made by the Minister of Customs.

I have now given you, Sir, a statement of all the details wherein we propose to change the tariff. But we have some further proposals to make which although they may not relate to details are of the utmost importance. As time rolls on, changing conditions arise, and it is the duty of the government and of all men in parliament to observe these changing conditions and adapt their tariff legislation to the conditions which may confront us. In the world's trade, many new conditions have grown up, and we are particularly interested in the conditions which have arisen in the great high tariff countries. We cannot meet these by mere academic discussions of the principles of free trade or protection. Mr. Cleveland, on a memorable occasion, used an expression which is very frequently quoted, 'It is a condition and not a theory which confronts us.' We recognize that fact in tariff matters as in many other matters, and we say that many new conditions have arisen and are arising of which we are obliged to take notice. In low tariff countries or in free trade countries, Great Britain for example, these disturbing conditions seldom exist. England conducts her business generally upon rational lines. She sells at a profit, and what is known as the system of dumping or slaughtering is hardly known in connection with British trade. But, Sir, in the case of all high tariff countries these objectionable conditions arise. It seems to be the inevitable result of high tariff policy that monopolies, trusts and combines will flourish. They may possibly exist in low tariff countries, but they flourish under a high tariff policy as they could not possibly flourish under other conditions. We find to-day that the high tariff countries have adopted that method of trade which has now come to be known as slaughtering, or perhaps the word more frequently used is dumping; that is to say, that the trust or combine, having obtained command and control of its own market and finding that it will have a surplus of goods, sets out to obtain command of a neighbouring market, and for the purpose of obtaining control of a neighbouring market will put aside all reasonable considerations with regard to the cost or fair price of the goods; the only principle recognized is that the goods must be sold and the market obtained. I quite realize that what I may call the extreme free-trader, that is the theoretical free trader, if there be such a man, who attaches more importance to a theory than to the practical things of this life, may ask: 'Why should we care about that; do we not get the benefit of cheap goods? Well, if we could be guaranteed for ever or for a long period that we would obtain cheap goods under that system the question would be a very fair one. If these trusts and combines in the high tariff countries would come under obligations, with sufficient bonds, to supply us with these goods at the lowest prices for the next 50 years, it would probably be the

part of wisdom for us to close up some of our industries and turn the energies of our people to other branches. But surely none of us imagine that when these high tariff trusts and combines send goods into Canada at sacrifice prices they do it for any benevolent purpose. They are not worrying about the good of the people of Canada. They send the goods here with the hope and the expectation that they will crush out the native Canadian industries. And with the Canadian industry crushed out what would happen? The end of cheapness would come, and the beginning of dearness would be at hand. Artificial cheapness obtained to-day under such conditions, at the expense of dearness at a very near day in the future, is not a system of which we could approve or which any of us on either side of the House could encourage. This dumping then is an evil and we propose to deal with it. Perhaps it would not be too much to say that ninety per cent of the complaints that are made to us by our manufacturers are not that the tariff is too low, speaking generally, but that this dumping and slaughtering condition exists, and that the tariff under such conditions fails to give them the protection they would desire. Well, if ninety per cent of these grievances result from dumping, we shall be prepared to deal with it to-day. We think it is in the interest of legitimate trade that this question should be dealt with. It is not the first time that Canada has set an example in matters of this kind and possibly the step we are about to take will be followed by other countries. Our friends on the other side of the House will recognize this dumping evil as fully as and perhaps more fully than even gentlemen on this side of the House. We differ from them as to the manner in which it should be dealt with. Their remedy is a general increase of the tariff all along the line. Perhaps they would not go quite so far as to increase all duties, but that is the principle they suggest. A high tariff is their remedy for this evil. We object to that because we think it is unscientific. The dumping condition is not a permanent condition, it is a temporary condition and therefore it needs only a temporary remedy, that can be applied whenever the necessity for it arises.

We propose therefore to impose a special duty upon dumped goods. That special duty, subject to a limitation which I will mention, will be the difference between the price at which the goods are sold, the sacrifice price, and the fair market value of those goods as established under the customs law of the country. But this is subject to a qualification, they are subject to a limitation. If an article is sold at a lower price in Canada than it is sold in the country of production, then that will be the evidence of dumping, and the difference between the fair market value in the country of production and the price at which it is sold—or if hon. gentlemen prefer, dumped—that difference shall constitute the special duty, within the limitations. As regards certain articles upon which our duties are low and upon which we grant protection in the form of bounties as well as in the form of duties, as respects certain of these items in the iron schedule chiefly, the limitation shall be 15 per cent ad valorem; that is to say, that special duty shall be the difference between the fair price and the dumping price provided it shall not exceed 15 per cent ad valorem. The additional duty over and above the present duty I call the special duty, and it is so called in our resolutions. Then in case of other articles, the limit is 50 per cent of the present duty. It is a duty over and above the existing duty, and it is limited by these two conditions: In one case, or in a few cases of like character, the limitation is that it shall not exceed 15 per cent, and in the other case it shall not exceed one-half of the duty.

Mr. R. L. BORDEN. Will the hon. gentleman state what the law is now? I thought there was some provision as to charging a duty upon the regular price in the foreign country. I am not familiar with that, and I only ask for information.

Mr. FIELDING. I shall be glad to explain to the hon. gentleman the difference between the present law and what we propose. There is a provision in the existing law that where there is an undervaluation you can levy duty upon the true valuation. Suppose, for illustration, that an article of which the true value is $100 is entered at $80, you can impose the duty on the whole $100. You get therefore an extra duty in that case, if you care to look at it in that way, to the extent of the rate of duty on the difference in value. In what we propose, you get the whole difference itself. If the article is sold at $80 and if the fair market value is $100, under the law as it stands to-day you get your duty of say 30 per cent on that extra $20. Under what we now propose you not only get the duty on the full one hundred dollars, but an extra duty, which means the $20 itself, subject to the limitation that it shall not be greater than one-half of the duty. Thus, if the duty is 30 per cent, the extra duty, or the special duty as I describe it, cannot exceed 15 per cent, and the whole duty could not exceed 45 per cent. The principle is that we will impose as a special duty the difference between the true value and the unfair value. But we put a limitation on that, as limitations are put upon all forms of taxation. Our information is that the average of dumping in Canada represents about 15 per cent. There are some cases in which the dumping may be more and some

in which it may be less ; but from the best information we can obtain we think that the dumping averages a cut price, an unfair price, an illegitimate price, to the extent of about 15 per cent. With the limitation that we are putting on, it is a special duty corresponding with what we believe to be the average amount of dumping. I may say there is also a special clause with regard to a possible evasion of the provision by the consignee of the goods. Under the first clause of the resolutions we empower the Minister of Customs or the collector of customs, or any other officer—my hon. friend the Minister of Customs suggests that I had better read the provision so that it may go on the 'Hansard' at once :

That whenever it shall appear to the satisfaction of the Minister of Customs or of any officer of customs authorized to collect customs duties, that the export price or the actual selling price to the importer in Canada of any imported dutiable article, of a class or kind made or produced in Canada, is less than the fair market value thereof, as determined according to the basis of value for duty provided in the Customs Act in respect of imported goods subject to an ad valorem duty, such article shall, in addition to the duty otherwise established, be subject to a special duty of customs equal to the difference between such fair market value and said selling price : provided, however, that the special customs duty on any article shall not exceed one-half of the customs duty otherwise established in respect of the article, except in regard to the articles mentioned in items 224, 226, 228 and 231 of schedule A, the special duty of customs on which shall not exceed fifteen per cent ad valorem.

The expression 'export price' or 'selling price' herein shall be held to mean and include the exporter's price for the goods, exclusive of all charges thereon after their shipment from the place whence exported directly to Canada.

The foregoing provisions respecting a special duty of customs shall apply to imported round rolled wire rods not over three-eighths of an inch in diameter, notwithstanding that such rods are on the customs free list : provided, however, that the special duty of customs on such wire rods shall not exceed fifteen per cent ad valorem.

I have mentioned that there might be an attempt to evade the effect of these provisions through what is called a system of consigning goods, that is to say, the manufacturer would not actually sell his goods but he would consign them perhaps to himself or to an agent in Canada. He would comply for a moment with the conditions of the customs law, and then later on the dumping process might be completed. It is thought well to guard against such a contingency from the beginning ; so while we propose in the first clause that the customs officer shall have the power of levying this extra duty to which I refer, we have a special clause to provide that if there be any attempt to evade these duties by the method of consigning the goods, there may be an inquiry, and the Minister of Customs may be authorized to deal with these as the circumstances may require. That clause reads as follows :

If at any time it shall appear to the satisfaction of the Governor in Council, on a report from the Minister of Customs, that the payment of the special duty herein provided for is being evaded by the shipment of goods on consignment without sale prior to such shipment, the Governor in Council may in any case or class of cases authorize such action as is deemed necessary to collect on such goods or any of them the same special duty as if the goods had been sold to an importer in Canada prior to their shipment to Canada.

If the full amount of any special duty of customs be not paid on goods imported, the customs entry thereof shall be amended and the deficiency paid upon the demand of the collector of customs.

Provision is made that regulations concerning that matter may be made by the Minister of Customs, and there is a clause providing that it shall not apply to articles subject to excise duty, because they do not properly come under the conditions to which I am calling attention.

Mr. HAGGART. Before the hon. gentleman leaves that subject I would like him to answer this question. Supposing an importer goes into the States and buys goods, say $100 worth, for $75. He enters them for customs duty in Canada at $100. He has bought these goods at $75, we will say, or $50. How are you going to reach that case ?

Mr. FIELDING. In that case we will inquire what is the ordinary selling price in the United States for the consumer in the United States. The ordinary selling price in the United States will demand the true value, and the $75 that he pays will be deemed the sacrifice value, and we will tax him on $25 up to the limit I have mentioned, not exceeding one-half the existing duty.

Mr. HAGGART. The minister does not understand me. The importer has bought those goods at a proper price, at one-half the value in the United States. How are you to know that he has purchased them at that price when he enters them here at their full value ?

Mr. FIELDING. I suppose no system we could possibly devise would not be open to some criticism. There are a thousand things in the Customs Department about which these questions might be asked, but we find the Minister of Customs and his officials have ways of discovering these things. I do not imagine that a clause of this character can be administered without some difficulty, but that is no reason why the clause should not be enacted.

I have now presented to the House all the provisions which we propose to make in relation to the tariff. The tariff is a delicate

and complicated piece of machinery which requires careful handling. It would be very easy by rash and ill-considered changes to create a serious disturbance in the business affairs of the country. We believe that in the changes we have made, we have dealt with the matters of greatest urgency. We believe that we have gone far to meet the legitimate demands which have been presented to us for revision of the tariff. As respects the other articles in the tariff with which we have not dealt, and of course there are a great many, all I can say is that we do not claim for a moment that the tariff is perfect, but we do say that before we should enter upon a policy of numerous changes, there should be a careful inquiry and that inquiry we are prepared to make so that if there are inequalities or other defects in the tariff we shall be able to remedy them in due course.

Mr. BELL. In what way is it intended to make the surtax operative ?

Mr. FIELDING. Does my hon. friend refer to the special duty that I am speaking of ?

Mr. BELL. No, I do not refer to that, but to the general tariff.

Mr. FIELDING. We have made no change regarding the surtax. It remains as it is at present.

Mr. BELL. That is the German surtax ?

Mr. FIELDING. Yes.

Mr. BELL. But I understand that the hon. minister stated that he is going to have a maximum tariff imposed on certain imports, maximum tariff and a general tariff.

Mr. FIELDING. No ; I said that in the working out of the general revision of the tariff to take place later, I thought it would be well to set forth each individual item and set forth the difference in rates which we might see fit to establish. In that case there would be a maximum general tariff, a minimum general and British preference. But, that does not refer to any thing that is to be done at the present time. It is simply an indication of the lines upon which we should proceed in regard to the fuller revision of the tariff. As to how we shall deal with the surtax that will depend on what the state of matters may be at the time. If there be a special state of things we shall have to get special legislation concerning it.

Mr. BELL. I thought that in the earlier part of my hon. friend's speech in which he was referring to the tariff, he stated that he was about to adopt practically what would be a maximum, a minimum and a regular tariff.

Mr. FIELDING. No, that all refers to the manner in which the detailed revision of the tariff will be brought about later. It had no reference to anything we propose to-day. We have practically that system to-day because, we have the German surtax, the general tariff and the British Preferential tariff. The change that I was suggesting was that it would be well to set these forth in separate columns, dealing with each item separately. I have submitted to the House all that the government have to propose on this great question. We quite realize the difficulties connected with tariff changes ; we quite realize the difficulties which business men experience in regard to the tariff ; and while we have been willing to consider all reasonable requests, while we have been anxious to meet the legitimate demands for changes we have always had a strong opinion that there was a great deal of merit in a policy of tariff stability. I have met many manufacturers, who, while they wanted some particular change, frankly said that rather than go into any broad changes in the tariff policy, they would submit to what they considered a disadvantage for a little while longer, because they recognized that frequent tariff changes are not desired by business men. Our tariff has been in operation since 1897 with a very few changes. It would not be surprising if changed conditions should necessitate changes in the details of this tariff. We believe that in what we have proposed to-day we have met the most urgent matters which have been presented to us. We believe we have met to a very large extent the complaints which have been made by our manufacturers by the introduction of this policy in regard to dumping or slaughtering. We believe that in the form in which the tariff will stand when these amendments have been adopted, as I trust they will be by parliament, the tariff will be in a condition which will give general satisfaction to nearly all classes in this country, but as respects the items with which we have not dealt, we do not for a moment assume that the tariff is perfect. We admit that in a number of instances circumstances may have arisen under which, after proper investigation, it may be necessary to make further changes. We are prepared as I have said to make a careful inquiry into all these things, such a careful inquiry as every business man must desire should be made before such policy is introduced into this House. But, I think we are justified in saying that in the main, we have, by introducing and devising tariff measures to meet the conditions of the country, given a reasonable assurance to the country now and in the future that this government can be relied upon, while guarding against monopolies, trusts and combines, to give reasonable aid to the legitimate industries of the country, and to adopt a tariff policy which will not only be a policy for the benefit of the manufacturers, but a policy, which, while giving them all due consideration, will have regard also to the interests of every class and section of the

people and of every province in this great Dominion.

I beg to move :

That it is expedient to amend 'The Customs Tariff, 1897,' to the following effect :—

Notwithstanding anything contained in schedule D, the minimum duty on the undermentioned articles shall be as follows :—

Manufactures as described in item 394 of schedule A (excepting blankets, flannels, bed comforters and counterpanes) composed wholly or in part of wool, worsted, the hair of the alpaca, goat or other like animal, 30 per cent ad valorem.

Twine and cordage of all kinds, n.e.s., 20 per cent ad valorem.

Notwithstanding anything contained in schedule D, the maximum duty on the undermentioned articles when imported under the British preferential tariff shall be as follows :—

Table ware of china, porcelain or other clay, 15 per cent ad valorem.

Common and colourless window glass, 7½ per cent ad valorem.

The words 'pails and tubs of wood' shall be omitted from item 330 of schedule A.

Item 323 of schedule A shall be amended by adding the following words :—

Provided that the minimum value of an open buggy shall be forty dollars and the minimum value of a covered buggy shall be fifty dollars.

Schedule C shall be amended by adding the following :—

642. Stallions and mares of less value than fifty dollars each.

Item 203 of schedule A shall be repealed and the following substituted therefor :—

203. Plate glass not bevelled, in sheets or panes not exceeding seven square feet each, n.o.p., 10 per cent ad valorem.

203a. Plate glass not bevelled, in sheets or panes exceeding seven square feet each and not exceeding twenty-five square feet each, n.o.p., 25 per cent ad valorem.

Duties on the undermentioned articles shall be reduced as follows :—

Silk fabrics when imported by manufacturers of men's neckwear for use exclusively in the manufacture of such goods in their own factories under regulations to be made by the Minister of Customs, 10 per cent ad valorem.

Items 22, 151, 170, 171, 172, 173, 175 and 178 of schedule A shall be repealed and the following substituted :—

22. Parafine wax candles, 25 per cent ad valorem.

151. Parafine wax, 25 per cent ad valorem.

170. Illuminating oils composed wholly or in part of the products of petroleum, coal, shale or lignite costing more than 30 cents per gallon, 20 per cent ad valorem.

171. Lubricating oils, composed wholly or in part of petroleum, costing less than twenty-five cents per gallon, 2½ cents per gallon.

172. Crude petroleum, gas oils (other than benzine and gasoline) above 40 Beaume gravity, at 60° temperature, 1½ cents per gallon.

173. Oils, coal and kerosene distilled, purified or refined, naphtha and petroleum, and products of petroleum, n.e.s., 2½ cents per gallon.

175. Lubricating oils, n.e.s., and axle grease, 20 per cent ad valorem.

178. Vaseline, and all similar preparations of petroleum for toilet, medicinal or other purposes, 25 per cent ad valorem.

Molasses, the produce of any British country entitled to the benefits of the British preferential tariff, in the original package in which it was placed at the point of production and not afterwards subjected to any process of treating or mixing shall be free of duty ; the package also to be free : provided, however, that this shall not apply to molasses to be used for the purpose of distillation.

The following articles now dutiable shall be transferred to the free list :—

Goats, for the improvement of stock, under such regulations as may be made by the Minister of Customs ;

Whale oil soap ;

Plain basic photographic paper, baryta coated, for albumenizing or sensitizing ;

Hydro-fluo-silicic acid ;

Glass cut to size for the manufacture of dry plates for photographic purposes, when imported by the manufacturers of such dry plates for use exclusively in the manufacture thereof in their own factories ;

Ferment cultures to be used in butter making ;

Printing presses of a class or kind not made in Canada ;

Machinery of a class or kind not made in Canada for the manufacture of linen ;

Machinery of a class or kind not made in Canada for the manufacture of brass goods such as are mentioned in item 492, schedule B ;

Well drilling machinery and apparatus of a class or kind not made in Canada for drilling for water and oil ; not to include motive power ;

Artificial teeth ;

Quassia juice.

Crude petroleum, fuel and gas oils, 40 Beaume gravity or less, at 60° temperature (·8233 specific gravity).

The free admission of machinery and appliances of a kind not made in Canada for use exclusively in alluvial gold mining, as authorized by section 4 of chapter 15 of the Acts of 1903, shall be continued until the first day of July, 1905.

Item 608 of schedule B shall be amended by striking out all the words after 'the United Kingdom' in the third line.

The following proviso shall be added to subsection 'a' of item 7 of schedule A :—

Provided that bottles and flasks and packages of gin, rum, whisky and brandy of all kinds, and imitations thereof shall be held to contain the following quantities (subject to the provisions for addition or deduction in respect of the degree of strength) viz.:—

Bottles or flasks and packages containing not more than one gallon per dozen, as one gallon per dozen ;

Bottles, flasks and packages containing over one gallon, but not more than two gallons per dozen, as two gallons per dozen ;

Bottles, flasks and packages containing over two gallons per dozen, and not more than 3⅓ gallons per dozen, as 4 gallons for 15 bottles, flasks or packages.

Item 462 of schedule B shall be repealed and the following substituted :—

462. Philosophical and scientific apparatus, utensils, instruments, and preparations, including boxes and bottles containing the same, of a class or kind not manufactured in Canada, when especially imported in good faith for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific or literary purposes, or for the encouragement of the fine arts, or for the use or by order of any college, academy, school, or seminary of learning in Canada, and not for sale, subject to such regulations as the Minister of Customs shall prescribe.

That whenever it shall appear to the satisfaction of the Minister of Customs or of any officer of customs authorized to collect customs duties, that the export price or the actual selling price to the importer in Canada of any imported dutiable article, of a class or kind made or produced in Canada, is less than the fair market value thereof, as determined according to the basis of value for duty provided in the Customs Act in respect of imported goods subject to an ad valorem duty, such article shall, in addition to the duty otherwise established, be subject to a special duty of customs equal to the difference between such fair market value and said selling price: provided, however, that the special customs duty on any article shall not exceed one-half of the customs duty otherwise established in respect of the article, except in regard to the articles mentioned in items 224, 226, 228 and 231 of schedule A, the special duty of customs on which shall not exceed fifteen per cent ad valorem.

The expression 'export price' or 'selling price' herein shall be held to mean and include the exporter's price for the goods, exclusive of all charges thereon after their shipment from the place whence exported directly to Canada.

The foregoing provisions respecting a special duty of customs shall apply to imported round rolled wire rods not over three-eighths of an inch in diameter, notwithstanding that such rods are on the customs free list: provided, however, that the special duty of customs on such wire rods shall not exceed fifteen per cent ad valorem.

If at any time it shall appear to the satisfaction of the Governor in Council, on a report from the Minister of Customs, that the payment of the special duty herein provided for is being evaded by the shipment of goods on consignment without sale prior to such shipment, the Governor in Council may in any case or class of cases authorize such action as is deemed necessary to collect on such goods or any of them the same special duty as if the goods had been sold to an importer in Canada prior to their shipment to Canada.

If the full amount of any special duty of customs be not paid on goods imported, the customs entry thereof shall be amended and the deficiency paid upon the demand of the collector of customs.

The Minister of Customs may make such regulations as are deemed necessary for carrying out the provisions of the foregoing sections and for the enforcement thereof.

The special duty mentioned in the preceding sections shall not apply to goods of a class subject to excise duty in Canada, nor to imported goods entered for consumption prior to the eighth day of June, 1904.

At six o'clock, House took recess.

After Recess.

The House resumed at eight o'clock.

Mr. A. C. BELL (Pictou). Mr. Speaker, the speech of the Minister of Finance contains some information of a most important character; it has furnished some admissions which to us, on this side of the House, cannot fail to be agreeable. The Minister of Finance casually told us that Sir Charles Tupper had estimated that the reduction in postal rates would represent one million dollars, and the Finance Minister represented this as a lightening of the burdens of the people to the extent of $1,000,000 a year. It occurred to some of us on this side of the House, who have looked with surprise upon the consistent course followed by the Minister of Finance in rolling up large surpluses year after year; that the reduction of his surplus either for one year or for a succession of years, might prove a lightening of the burden of the people, because the money taken out of the people in customs duties is quite as much an exaction as is the money which they pay for their postage.

The Minister of Finance told us that both parties in this country were united in favour of the British preference, and in making that statement he assumed something. I have heard no representative man admit that the Conservative party was satisfied with the preference, granted as it has been granted. We have always thought that for it we should enjoy some quid pro quo from the mother country. Although Sir Wilfrid Laurier had promised the people of Canada to press preferential trade with a view of deriving some advantage in return for it, yet, when he met the British statesmen in England, he disavowed the idea that any one in Canada desired or expected to receive any consideration in return for the British preference. He told them in England, that the preference was given as a mark of appreciation by Canada for that splendid freedom which we enjoy, and upon one or two occasions that language was echoed by the Minister of Agriculture. I do not know that any Conservative in this country (no matter how highly he prizes the splendid British freedom which we as a British people are in possession of), is disposed to feel that we owe any consideration of a pecuniary character, or in the character of a commercial advantage to the mother country for that priceless freedom. We are disposed to make our own commercial treaties so far as possible, or at least to have a voice in their making. We have always entertained the idea—which seemed to be strong in the mind of the Minister of Finance at a later period in his speech—that we should utilize what-

ever preference favours we have to give in order to receive others in return. The Minister of Finance seemed to oscillate in the course of his speech ,between the attitude of a free trader and that of a protectionest. It almost reminds me of some of his old free trade utterances, when, speaking of the reduction of taxation upon kerosene oil, he described the amount of money which would be saved to the consumers of this country by that reduction as being about $370,000 a year. , I wonder if it occurred to the Finance Minister, how he and his party when in opposition promised year after year to remit the whole of the taxation upon kerosene oil ; I wonder if he realized, that had he and his party carried out their pledges to the people in this respect, they would have relieved the people of Canada not of $370,000 a year but of practically $750,000 a year. The attitude of the Minister of Finance in this connection, reminded me of the story of the Irishman who was advised to buy a new stove because he would save half the fuel, and he concluded that he had better buy two of these stoves to save the whole of the fuel. There was another feature in the speech of the Minister of Finance which struck me as being somewhat out of the ordinary, and that is that he made no reference at all to the finances of the next fiscal year ending June 30, 1905. It is usual for the Minister of Finance not only to review the finances of the last year and the current fiscal year, but also the expected revenue and expenditure for the coming year. There was also a very significant failure on the part of the Minister of Finance to refer to our trade with the United States. We had a chart placed in our hands showing the development of British trade, but we had no information at all as to the expectations of the hon. gentleman in regard to trade with the United States. In years gone by, the Liberals of Canada used to attach enormous importance to that subject. The Minister of Trade and Commerce (Sir Richard Cartwright) and others were continually harping upon it in years past, but the budget speech of the Minister of Finance to-day passed over all references to that market of 70,000,000 people in the United States. Is it possible that this is one of the old songs which the Minister of Trade and Commerce (Sir Richard Cartwright) no longer sings ? There was another significant feature of the speech of the Minister of Finance wherein he called attention to the enormous aggregate surplus of some $58,000,000 which the present government has had during its tenure of office. The hon. gentleman is able to claim this enormous surplus, but in return for the $58,000,000 of taxation poured into the hands of the administration, by the willing people of Canada, all he is able to promise in return is a reduction of the public debt by about $1,000,000. The remaining $57,000,000 has been used up and has disappeared, and all that remains to show for the enormous exactions that have been taken from the people of Canada by this government, is the reduction of the debt by about $1,000,000.

Perhaps one of the most expected announcements in the budget speech was that a commission would be appointed to inquire into the propriety and the necessity, and the course of tariff revision. This government has fairly earned the distinction of administering the affairs of Canada by commission, and it was not unexpected that when they came to deal with tariff revision they would entrust that to a commission also. Is it not extraordinary that a government comprising men of such ability ; men vaunted by their friends as being the ablest men in Canada; men collected not only from Dominion public life but from the public life of all the provinces ; men who are supplied with officials in their departments of the highest technical skill in matters of trade ; men who have been receiving delegations from manufacturers and merchants throughout the country ; is it not an extraordinary thing that such men instead of dealing boldly with the tariff, should refer it to a commission, thus gaining time and enabling themselves a little longer to keep in touch with both the free trade element and the protectionist element in this country ? In 1878, when the Conservative party came into power pledged to tariff reform and protection, they did not resort to a commission, but dealt with the question in a bold and fearless manner assuming the responsbility of dealing with it satisfactorily and promptly. It cannot but strike the people of Canada, that this promise of a tariff commission is merely the holding out of a hope to those who are in favour of higher protection as well as to those who are in favour of free trade. The announcement of the Finance Minister on this matter is a clear indication that the coming general elections are not far off, and by the promise of this commission the government hope to leap the gap, and to secure the adhesion of protectionists and of free traders as well. It seems to me that the time has come when the government ought to have made up its mind as to what fiscal policy the country needed, and as to what it was going to do for the country. But after eight years of experience, after having themselves as a commission visited and interviewed the manufacturers and workmen of Canada in 1896, after having obtained every particle of intelligence and information which the manufacturing community could give them, they are now unable to decide whether the interests of this country require more protection, or whether they would be better served by free trade ; and they are going to send a commission through this country to enable them to decide whether they should raise the tariff or lower it, and how they are to proceed to do it.

Now, Mr. Speaker, it was impossible to listen to the speech made by the hon. gentleman to-day, and contrast the manner in which he seems yet to look with favour and hope on every measure of a free trade character that promises cheaper goods to the consumers with his attitude when he comes to use those arguments which are generally held by protectionists. The hon. gentleman to-day, when talking about dumping, used the argument of the protectionist as skilfully as any protectionist could. He is well aware of the nature and the effect of dumping. It is practically mercantile piracy, mercantile war ; and when the hon. gentleman turned round to his followers and said that this evil practice rather prevailed in countries which had the highest tariffs, a sentiment which might seem condemnatory of high protection, he was applauded by them ; and when shortly afterwards he went on to develop the arguments of the protectionist against this practice, he was equally applauded. So that it would seem as if neither the government nor the party have any decided opinions on this most important subject. The hon. gentleman says that dumping is not carried on with the idea of doing any beneficial service to the country in which the dumping is done. He says it is done for the purpose of injuring and destroying the industries of that country—that the low prices will not prevail longer than is necessary to accomplish that destructive work, and that the moment those industries are destroyed, up goes the price. That is precisely the argument held and advanced by the protectionists time after time ; and yet until to-day the hon. gentleman has allowed this dumping practice to go on, has not interfered with it, has rather endeavoured to keep himself and his government before the public as if they were still imbued with those opinions which they held when the hon. gentleman, who is now the Finance Minister of Canada, occupied an important position in the Ottawa convention. The hon. gentleman who made the budget speech to-day is credited, probably truly, with having had a great deal to do with the preparation of the trade resolution adopted in that historic conference ; and what does that declare ? It declares :

> That the customs tariff of the Dominion should be based, not as it is now, on the protective principle, but on the requirements of the public service.

How can that declaration, possibly prepared by the skilful hand of my hon. friend and adopted by his party in convention assembled, be reconciled with the promise held out to-day of a step towards that highest development of the protective principle to which any protectionist country has advanced as yet, that is, the adoption of a regular minimum and maximum tariff ? Then, again, how can you reconcile the maintenance of my hon. friend's tariff and his boast to-day of an expected surplus of $16,500,000, following one of over $14,000,000, with this other sentence, also taken from that memorable document :

> That the protective system of this country should be destroyed, and that to that end the tariff should be reduced to the needs of honest, economical and efficient government.

What consistency, what inspiration is derived by the party now at the right hand of the Speaker from these utterances of their past ? They have blotted out every word of this, which was at one time their political catechism ; and still, by the expedient of a commission, hope is endeavoured to be kept alive in their hearts that they may succeed in obtaining the support of the protectionists of this country and of the consumers as well. This historic document goes on to say :

> On this subject the issue between the two political parties is now clearly defined.

Who that heard the hon. Finance Minister's speech to-day can say that so far as protection and free trade in this country are concerned, the issue is clearly defined ? The speech made by the hon. gentleman today was practically a protectionist speech ; and as we have welcomed the conversion of that hon. gentleman to sounder views of political nationality, as we have been delighted to see him renounce the more sectional and provincial views which he once entertained, and rise to the full stature of Canadian manhood, so we may now congratulate him upon recanting what he must have come to regard as the errors of his earlier political education, and the errors of the party with which he was associated, and upon being prepared to advance towards the development of Canadian industries as the policy to be avowed openly and maintained in its most perfect development by the government of the day.

The hon. gentleman has given to us in the course of the day several tariff changes to which I shall refer very hurriedly. Woollens have been raised from 23½ to 30 per cent. That is a step in the direction of higher protection. Twine and cordage have been raised from 16⅔ to 20 per cent, again a protectionist move. On the other hand, I suppose to compensate the mother country somewhat for interference with the preference in connection with the woollen industry, the duty on window glass has been lowered ; but that is not a free trade move ; it is a protectionist move, because the kind of glass reduced is used by the manufacturers of mirrors as raw material. Then pails and tubs are taken out of the class on which a duty of 20 per cent is imposed and are put upon the free list. But when we come to consider what has been done in the case of the carriage manufacturers, there again a certain measure of protection is accorded. A minimum value at which an open buggy can be entered for duty is $40 and a covered

buggy $50, a measure taken in the interest of protecting the carriage manufacturers in this country. The next item is practically the adoption of a policy urged repeatedly from this side of the House by gentlemen from the west. It is a move to prevent the importation into Canada of cheap horses.

Mr. HEYD. Scrub horses.

Mr. BELL. My hon. friend from Brant seems to think that is a good move. But how is it he has continued to support so long a government which took so long to make that move ?

Mr. HEYD. I knew they would when the necessity arose.

Mr. BELL. I should think that the gentlemen who represent the west ought to know best when the necessity arose and they have been imploring the government for years to take this step. It is satisfactory at last to see that the government in this measure is following in the course indicated by the Conservative party. Then paraffine oil is reduced and crude oil is reduced to 1½ cents a gallon and the cheaper grades to nothing at all, as I understand it. Molasses, which hitherto paid 1¾ cents per gallon, is made free, a concession undoubtedly to the consumers, and when the government is so disposed to make these comparatively small concessions, one is prompted to ask why they did not make larger concessions. Why is it necessary that they should have surpluses to boast of —surpluses of from $14,000,000 to $16,000,000 ? They could get clear of a large portion by extending the reduction of duties from molasses to sugar. They could also make a reduction in the duty on tobacco, which would prove an immense boon to almost every man who contributes to taxation. But when we come to the free list, there it is my hon. friend shows his skilful hand. The first item is goats. Whether these goats are to be imported for the use of secret societies or for the improvement of the stock of goats in the country, I am not aware.

Mr. COWAN. For the Orange lodges.

Mr. BELL. Or for the consumption of the tin cans, which we know are a nuisance in almost every locality, is not stated, but I presume the leading position in the government's programme is given to that noble animal the goat, from the fact that the goat is clearly an animal which can go it, if put in the front place, the rest of the procession will move along with alacrity. Then there is a great article of industry, whale oil soap largely used. I am reminded very much by these concessions made by the government to the trade of the country of another revision, when they put dragons blood, attar of roses, ice and several other articles on their free list, none of which would very much disturb the balance of trade in the country. Then there are photographic paper and glass to be used in the manufacture of the materials of the photographers' trade. There are also printing presses of a class not made in Canada and machinery for the manufacture of linen and brass, not made in Canada, and for drilling wells not made in Canada. Then showing how the government, when it discovers that it has been false to all its principles, may feel the necessity of procuring an outfit of false teeth in order to make a presentable appearance in public, they have put artificial teeth on the free list. That reminds me that not very long ago they put artificial limbs on the free list, feeling convinced that in their limping condition regarding the tariff they would require the assistance of wooden legs. In their last revision they adopted the wooden leg reform, and they have now the artificial or false teeth reform. Then there is quassia juice. That is an article which enters enormously into the trade of this country. No doubt this is an immense concession, and I only hope that the surplus to which my hon. friend looks forward next year may not be too much impaired by the amount of duty he is going to lose on quassia juice.

With reference to what my hon. friend has said regarding the advantage which the British preference has been to us in setting an example to the world, we are not going to offer any objection. At the same time if he is disposed to adopt such a cheerful tone with reference to the attitude of the government on the subject, we should not forget all that was involved in the manner in which that preference was adopted. The government very jauntily assumed that they were going to give a British preference and put it into effect at once. They made a very blind move and the British government in pity let them out of the difficulty into which they had fallen in their endeavour to gratify British public opinion in this country by a British preference. That preference practically applied not only to Britain but to every country with which Great Britain had a treaty containing the most favoured nation clause. Germany and Belgium and every other country which had a treaty with Great Britain containing the most favoured nation clause was enabled to demand the admission of its goods under the preference and did so. So that instead of its being a well-considered move, it was a move made without a proper knowledge of the situation and without anything like a realization of the consequences. Every word that was uttered in this House by Conservative statesmen, every criticism passed on that measure by the Conservatives, turned out to be absolutely correct. Had it not been for the courtesy of the British government in denouncing the German and Belgian treaties this government would have been

compelled, in order to preserve our own markets, to repeal the preference at the next session. Nothing but the fact that the British statesmen, pitying this government in the humiliating position into which it had landed itself, saved it from being compelled to repeal the preference, by denouncing the treaty. We on this side approve of everything in the direction of extending the imperial idea. We are in favour of everything that will draw the different parts of the empire more closely together. We are in favour of developing the trade of Great Britain with Canada and the trade of Canada with the other colonies, but we are not disposed to see our friends who simply blundered into this move and succeeded in securing the denunciation of those treaties in the manner I have indicated, take away the credit of Conservative statesmen who for twenty years had been working for the denunciation of those treaties and to put Canada in a position in which she might give preference to the mother country and the colonies as well.

It was a Conservative policy advocated by Sir Alexander Galt, Sir Charles Tupper, Mr. Foster, advocated by every leader of the Conservative party and although they did not blindly leap into the hole into which the present government plunged themselves, they were endeavouring for 20 years practically, to have these obstructive treaties removed and to secure for this country the opportunity to develop the idea of a British preference not only with the mother country, but with the other colonies as well. Judging from the utterances of the hon. gentleman to-day, he is going to adopt as soon as possible—at the next session of parliament, he says—a tariff which, in order to fill his description of it must be an out and out protectionist tariff, a tariff which will permit of retaliation, which will not be a tariff for revenue but a tariff for protection, a tariff which will protect Canadian industries even to the extent of using drastic measures to prevent dumping, to prevent an attack on Canadian industries by the industries of any foreign country. When he, as the representative of this government promises the people of this country an out and out protectionist policy, it is not at all to be wondered at if hon. gentlemen on this side of the House, who have in the past heard that hon. gentleman and his party speak upon the platforms throughout this country, are filled with amazement. Is it possible that this gentleman and his party can come here to-day and without a blush proclaim that their every utterance for 18 years was an absurd and mistaken one, that their every promise to the people was an impossible one, that they sit to-day in the parliament of Canada pilloried, monuments of incapacity, unable to accomplish anything they ever promised the people of this country. Now that the Finance Minister has come out as a protectionist let me read to him what his friend the Minister of Trade and Commerce said in 1893 :

> The Finance Minister lays down, or did lay down, as a proposition that it was possible to increase our collective wealth by increasing our taxes. I beg leave to tell the hon. gentleman that I regard such a proposition as about the 'ne plus ultra' of folly in a country like Canada. When the hon. gentleman is able to pour water into a sieve and keep it there, when the hon. gentleman is able to leap from one of these buildings and sustain himself in mid-air by grasping his waistband ; when the hon. gentleman can take snow in his hand and hold it before the fire without its melting ; then, and not until then, will the hon. gentleman increase the collective wealth of the community by increasing their taxes. Sir, we do not look for grapes from thorns and we do not look for figs from thistles, but we had better do that than look for prosperity to a policy the very keynote of which is to enrich one or two special classes at the expense of the great bulk of the community. I tell the hon. gentleman that his government and his policy may indeed displace wealth—that they have done to a large extent—but they are helpless and powerless to create it.

Has the hon. Minister of Trade and Commerce changed his opinions? He sat to-day beside his friend and colleague the Minister of Finance (Mr. Fielding) and saw him deliberately perpetrating this act of folly, saw him, so to speak leaping from one of the windows in this building and hoping to sustain himself by his waistband, yet he did not raise one voice of remonstrance, he did not protest against that act of folly. Apparently he has come to the conclusion that, after all, that and all his other utterances of a like character were folly and folly in the highest degree. It is useless to waste time upon such a subject, but it is not useless to extend my congratulations to the hon. gentleman on the fact that having learned wisdom he is wise enough to retain his position even in the despised Department of Trade and Commerce and to swallow all the protectionist doses that the Premier of Canada and his Finance Minister are disposed to pour down his throat.

It is not too much to say that it is high time that the government proceeded to deal with this trade question. Speaking of the utterances of the right hon. gentleman the Minister of Trade and Commerce, the Minister of Customs, the Minister of Agriculture, and many other hon. gentleman who raised their voices in this House to denounce protection, the Attorney General of Nova Scotia, in a thoughtful and moralizing spirit, cast his eye backwards over the course of events and told an audience in Nova Scotia a short time ago that these hon. gentlemen talked all this nonsense in the years when they were in opposition, because gentlemen who were along time in opposition were inclined to acquire the habit of talking unmitigated rot. I think it is beyond doubt that the attitude of our hon. friends to-day

justifies that position. No one should be as competent to judge these gentlemen as the Attorney General of Nova Scotia. He has been associated with them a great deal; and has studied their utterances, and he says on his authority and his knowledge, that all the utterances of these wise men when they went about the country frightening the timid people out of it as far as they could, were unmitigated rot. They seemed to part with these portions of these utterances to-day with very little regret. If the Minister of Trade and Commerce (Sir Richard Cartwright) believed everything he ever said was rot, he could not give it up more cheerfully than he did to-day. I think he believed it was high time to get rid of it, and he is now disposed to walk in the ranks of the protectionists of this country in such a manner as to justify us in coming to the conclusion that he has at least attained his right mind. It was time the Finance Minister did give this country a policy. This government has been in power seven or eight years and what have they done? They have raised great surpluses. When you meet a representative of this party, no matter how humble, and challenge him as to what this government has done, his only answer is: 'Good times.' They talk of great aggregate trade, great savings of the people, great prosperity in every part of this country, good times; from the Finance Minister and the premier to the lowest man in the party who uplifts his voice on the stump or in the corner grocery, the one and only argument in favour of this government is that it has lived in a period of good times. What has this government done to give us these good times? Nothing whatever. Has this government given this country a new market? They have done nothing to develop our markets. They promised to give this country the market of the 70,000,000 people to the south of it, these people who preferred the Yankee dollar to the British shilling. They were going to give us the one market, our own natural market. They were going to develop that continental trade, which was the only trade. There was no doubt about it, they had it in their power, they had a good chance, they had it at their hand; put them in power and they would turn the tap, and the whole volume of trade of the United States would flow into this country. Have they given us any of it? The Finance Minister to-day never mentioned the United States, never referred to their trade, never spoke of reciprocity. Apparently that is a chapter in his life which he is anxious to forget.

There is a colony of Great Britain lying in such a position as to command the entrance to the Gulf of St. Lawrence, the colony of Newfoundland. Most important it is that that colony should be added in order to round off this Dominion. What has the government done in that direction? Not one word in the budget speech in reference to it. There is a project dear to the hearts of my hon. friends in the lower provinces, the project of a fast line of steamers to divert the express and passenger traffic to the maritime province ports that now goes from Canada to the continent through American ports. What has the government done to develop a fast line, and the great trade that would necessarily flow from it? Not one word of it mentioned in the speech. It is apparently a matter that is too large for this government to deal with. They prefer to deal with artificial teeth, and goats, and objects of that kind that can be handled, rather than take upon themselves the task of initiating a great modern steamship service which would place Canada in the forefront of the nations of the world. It is time, I say, that this government should take a stand, time that they should find out what is the policy of the people of this country.

And I would ask my right hon. friend: What is the best policy for Canada? Is it that of free trade, which he loved so much in the past, for which he said so many nice things, from which he hoped so much, and for which the Minister of Trade and Commerce hoped so much? Or is it that curse called protection, that ogre which was preying upon the people of this country, fattening upon the people of this country, bleeding them white, crushing them, oppressing them, making millionaires on the one hand and paupers on the other? Is that the policy they are in favour of? We have heard to-day from the Minister of Finance; let us know now what is the opinion of the government. Are they still free traders? Are they in favour of even a modified form of free trade? Are they revenue men as they have them in England, or are they protectionists? They know the free trade argument, for they have promulgated it in this country for a life time, practically. They must know that there is a great deal to be said in favour of free trade, but they must know that to adopt free trade would mean the wiping out of our industries, practically the destruction of the industries we have to-day. Are they looking at the great example of Great Britain to which they are so fond of turning the eyes of our people? There is not one word of warning to suggest that there is anything in the condition of Great Britain that does not apply to this country, and apparently these hon. gentlemen care nothing for it. If they are free traders, why do they not adopt the policy of the mother country? Why do they not give the consumers of this country the advantage of cheapness? They know very well that would mean the destruction of our industries for a time; but if their scientific theory of free trade is all right, granting them time and our natural advantages, the ability of our peo-

ple, might be trusted to carry them through. If these gentlemen were right in the past, and still believe that free trade would create a more stable basis of prosperity, it would take a long time to try the experiment, but still my right hon. friend must feel that truth is mighty and must prevail. Why is it then that now, when he is in power, when the responsibility of government rests upon him, the responsibility of answering for the stability of our commercial interests, why is it that instead of becoming more and more a free trader, he is becoming more and more a protectionist? If my right hon. friend is influenced by the irresistible argument of what he sees about him in the country, he must come to the conclusion that protection is the best policy for this country, and that he was wrong when he opposed the Conservatives in that policy. Why does he not adopt that policy, take the foundation laid by the Conservatives and proceed, while he is in power, to build up on that foundation and to rear in Canada the fair fabric of commercial and industrial prosperity and well-being? But instead of doing that, he sets up his Finance Minister to make a speech which breathes free trade and protection in the same breath. He flatters the expectation of the people with the promise of a commission, delaying any action the manufacturers might take by the promise of a commission, in order to hasten and get through with the elections before the people have an opportunity of discovering what his real intentions are.

If he will take the trouble to look at the trade returns he cannot fail to make up his mind as to the requirements of the country. Our exports show that practically we are to-day a people who are producing raw materials for other people, more advanced people, to manufacture. What are our great exports? Are they manufactured goods? No, they are goods which have undergone a certain process of manufacture in so far as you may say that the farmer is a manufacturer of cattle, of wheat, of butter and cheese, that the miner is a manufacturer of coal, because his labour has to a certain extent entered into its production. But we know that the exported products from which this trade is built up are the raw materials of the workman, which are utilized in other countries where they are developed by people who have reached a higher industrial development than we have. Let me read a few articles of export and their value:

——	Value, 1903.	Value, 1904. (9 m. only.)	Price, 1896.	Price, 1903.	Increase or decrease, 1903.
	Millions $	Millions $	$	$	$
Cheese	24·7	21·1	0·08,4	0·10,8	+ 0·24
Wheat	24·6	9·9	0·58	0·74	+ 0·16
Bacon	15·5	9·6	0·08,1	0·11,2	+ 0·03,1
Boards, planks and scantling	14·4	9·7	10·32	14·48	+ 4·16
Deals and ends	12·6	8·8	28·01	35·29	+ 7·28
Coal	5·5	3·4	3·17	2·75	— 0·42
Cattle, over one year	11·3	8	68·79	65·67	— 3·12
Butter	7	4	0·17,9	0·20,4	+ 0·02,5
Flour	4·7	5	3·85	3·65	— 0·20
Hay	3·6	1·3	9·21	7·99	— 1·22
MANUFACTURES WITHOUT PRICES.					
Wood pulp	3·1	1·8			
Agricultural implements	2·3	1·8			
Leather, all classes	2·1	1·6			
Cotton, all	·6	·5			
Castings	·18	·065			
Cordage	·15	·12			
Boots and shoes	·14	·09			
Clothing	·1	·1			
Sugar	·607	·002			

I have two other tables, one a list of manufactured articles into which labour enters largely and which would have given employment to the people of this country; and the other is what may be described as the raw materials of industry which the people of this country ought to be producing. The iron trade has had nothing done for it to-day. Yet we imported 89,951 tons of pig iron, we import 62,773 tons of blooms, we import 195,824 tons of rails, we import 89,000 tons of wire rods. Now there is some-

thing promised in the tariff in favour of the wire rod industry. Of sheets of all kinds we import 74,000 tons.

Of bars and rods of different kinds we imported 84,000 tons. Now, these goods come very largely from the United States and while in this country the duty varies from $2.50 to $7 or $8 a ton, in the United States the duty upon precisely the same class of products rises to the height of $14, $18 and $30 a ton. Nothing is done for that industry. If the right hon. leader of the government or his Finance Minister has come to the conclusion that the country can be benefited by the development of these industries, there, in the iron industry, that brought into this country nearly $30,000,000 worth of these products in the past year, is an endless scope for his action. He has right beside him, in the United States, an example of how that work is to be accomplished. He knows it has not been done by tinkering with the tariff; he knows it can only be done by protection which will be adequate, to use the expression of my hon. friend the leader of the opposition, by adopting the protection that will protect.

Then again there is the woollen industry to which some concession has been made today. About six per cent has been added to the protection on woollens, but what is the position of the woollen industry in this country? Canada, a country which is adapted to the raising of sheep for the production of wool, imports $13,700,000 worth of woollen products. The United States, where the duty is 90 per cent, where the population is 80,000,000 as against our five and a half millions, imports $19,500,000 worth of woollens or less than one-quarter dollar per head of the population of what we import and they manufacture all the woollens used in that country with the exception of what costs 25 cents per head of the population. Why? Because the industry there is so protected that it can live. In this country, although remonstrances have been addressed to the government day after day, the imports of woollens have grown from $9,700,000 in 1899 to $13,700,000 in 1903. The protection Canada now affords may be sufficient—if it is not it will be a great misfortune—but if it is why is it that the government does not make up its mind to adopt the protective system throughout and instead of touching the tariff here and there, giving some small measure of relief to this industry or that industry, take its stand upon one side or the other of this great controversy in which all the nations of the world are engaged and either proclaim its belief in protection, and holding that belief in protection, go on and develop the protective system so as to make of this country a hive of industry, fill it with factories, stop the exportation of animals, stop the exportation of wheat and bring about a condition of affairs which would result in the consumption of these things in this country? It might be that my hon. friend the Minister of Finance would have to submit to a great deprivation, that he would have to submit to the aggregate of his trade being largely reduced. That trade naturally would be done in this country. The movement of products would be from the farm to the town, from the town to the farm. My hon. friend could not boast of such an enormous increase in the aggregate trade of the country but how much better off would be the people of the country? How much stronger would the country be and how much better would the interests of this country be served by adding to our population which would consume the products of our farms and prairies in the cities of Canada rather than that our products should be exported to the mother country? We are disposed to do everything we can to develop imperial trade, but no party in this country, and certainly not the party sitting on the other side of the House, are disposed to push that matter of a British preference to the length of injuring Canadian industries. If there was any doubt at one time there is no doubt now after the speech made by the hon. Minister of Finance to-day because he has broken in on the British preference by raising the duty against the woollen manufacturers of Great Britain.

A reading of our trade figures will show us that we are not progressing in the direction in which a protective country should move. We are progressing along the lines in which a free trade country might hope to progress.

Our exports of home products in 1903 as compared with 1896 were as follows:

EXPORTS, HOME PRODUCTS.

	1896.	1903.
Mines	$8,050,000	$31,064,861
Animals and Products	36,500,000	69,817,542
Agricultural Products	14,000,000	44,624,321
Fisheries	11,070,000	11,800,184
Forest	27,170,000	36,386,015
Manufacturers	9,360,000	20,624,967
	$106,150,000	$214,317,890
Miscellaneous		83,784
		$214,401,674

We are making progress, but not satisfactory progress, not the progress that this country ought to make. In my mind there can be no doubt at all that in this country, with our population, with our climate, with our natural resources, there is no reason why we should not at an early date, with the protective system, with the manner in which our fertile lands are attracting population from outside countries, make progress very much more rapid than we are making at this moment. We are doing well, my hon. friend the Minister of Finance tells us. We are delighted on this side of the House to recognize the fact that we are doing well and we are delighted to find that our hon. friends on the other side of the House have made up their minds that this country is not going to the bow wows alto-

gether but that we have here a good country to live in. But, we maintain that if our country is not making more rapid progress than it is the government should not stand still. If our policy laid down in 1879 is a wrong one it should be reversed. If it is a right one it should be extended and maintained. Now, as I have already said there may be the one little drawback, as far as my hon. friend the Minister of Finance is concerned, that he may find it unsatisfactory to see his exports and imports diminished. He might be in the unhappy position that he would not be able to point to an enormous increase of trade or taxation or to surpluses, but would it not be a benefit to the population of this country that he should be deprived of some small part of the glory and pleasure which he seems to derive from boasting of these things and that we should go on developing this country, and advancing the prosperity not only of the great farming community but of the great industrial community as well ? My hon. friend the Minister of Finance promised us to-day a surplus of $16,674,000. He also promised a capital expenditure of $11,500,000 and a net reduction of the debt to the amount of $7,500,000. Now, it seems to me that my hon. friend ought to have come to the conclusion by this time that he should not boast as he does and that his party ought to have been tired by this time of his boasting of this prosperity. There was a time when prominent gentlemen now seated on the government side of the House maintained that the government could do nothing at all to contribute to the prosperity of the country, that the government was a fly upon the wheel, that the wheel turned indifferently to their posturing or prayers or desires. But, it is not so now. Why, my hon. friend the Minister of Finance has only to stand up here and recite figures of the greatness of Canada's trade, of the greatness of her receipts, of the greatness of her revenues and his followers, even at the end of eight years, still cheer him to the echo. I think I detected a little falling off in the spontaneity and force of the applause to-day. It is getting to be an old story—I suppose they will tell me. Is it possible that the conclusion is beginning to come to their minds that it is not always very good financing that would go on year after year taking enormous surpluses from the people of this country simply to enable the government to boast when it goes to the country, of a surplus ?

This government has been favoured with a marvellous good fortune ; it came into power when Canada was very prosperous, and so the Minister of Finance enjoys the annual opportunity of reciting another chapter of the continued story of Canada's well being. To what is that prosperity owing ? We are rejoiced to see it, although we do not think it is used as wisely as it might be. To us it seems that it would be far better for this country, if the government would show less pride in large surpluses and more desire to alleviate the burdens of the people ; to us it seems that it would be better if the government should so adjust the tariff as to make it not a great revenue producing tariff but a great industry producing tariff. What is the secret of this story of success ? Is it due to anything the government has done ? If so, it would be an agreeable variation if some member of the government would point to some act of administration which has contributed to the prosperity of the country. Many hon. gentlemen would seem to have come to this House believing apparently, that the prosperity of Canada was due to the beams from the countenance of the Prime Minister, who was pictured to us as the Sunny Jim of Canadian politics. But, Sir, I do not think it is possible that those effulgent rays from the Prime Minister's countenance could have continued to give to this country the prosperity it has enjoyed for several years. Still, none of all the very clever men who sit in the government have devised any more probable theory as to the prosperity of this country, than the fact that Sir Wilfrid Laurier is Prime Minister. In the press, in the House, on the hustings, we are told that prosperity prevails throughout Canada because the right hon. gentleman is at the head of the government. It is a beautiful thing to know that in Canada there is a man of such radio-active powers that his effluency is not circumscribed by the area of this Dominion, but that his beneficence radiates throughout the world, because we know that the world generally has been prosperous. We have not heard from our friends in the extreme north that the icebergs are being melted by that sun which beams from the countenance of the Prime Minister of Canada, but we do know that the world over, good times have prevailed since my right hon. friend has become premier. Is it not possible that there are other reasons for our prosperity ? We have had bountiful harvests in Canada since 1896, and although the Prime Minister may be responsible for them, we would piously hope that providence may have something to do with it. Is it not possible that part of the good times in this country, part of the large figures in the trade returns, part of the large receipts from taxation, part of the large surpluses, may be owing to the high prices which have prevailed since 1896, for lumber, for animal products, for butter, for cheese, for almost everything that Canada produces to sell. Is the Prime Minister responsible for these high prices ? Perhaps it is that owing to some momentary inertia on the part of the Prime Minister, the cheese and butter industry have suffered a decline this year. It may be possible that because of having his attention too much devoted to that great railway project which is to make his memory famous, his friends say, he has withdrawn to a certain extent his attentive

benignity from our great agricultural interests and that the prices of butter and cheese have dropped in consequence. In fact, when one admiring supporter of the Prime Minister was urged to call his attention to the decline in the price of cheese, this gentleman replied that the Prime Minister was very busy just now, but in a little while he would have time to attend to the matter and then it would be all right. But, is it not possible that the prosperity of this country is in a certain measure due to the discovery of the Yukon, to the development of mining, to our gold and our copper and our nickel ? Do the right hon. gentleman and his supporters take credit for that ? Do they take credit for the discovery of the Yukon, a country which was purchased by the Conservatives and the purchase of which they opposed ? Do they take credit for the development of the mining industries of the Kootenay owing to the construction of the Canadian Pacific Railway, the construction of which they opposed and denounced as folly ? If in a more thoughtful frame of mind we try to discover what the true cause of our prosperity is, we have to look in another direction. In what phase of the administration of the present government, are we to look for any change from the policy of the Conservative party, with one exception and that exception is that instead of pursuing the cautious and careful financing of the Conservative administration whose policy was to alleviate the burdens of the people and to avoid surpluses, this Liberal government has exhausted every means of extracting cash from the Canadian taxpayer, increased taxation beyond any necessity, and expended the money which they have taken from the people in an extravagant and unjustifiable manner. Is not our prosperity due to the fact, that through a long continued course of a wise and cautious administration by the Conservative government ; of a wisely constructed banking system, of a wisely constructed system of protection to our industries ; the foundations of prosperity in this country were laid, so that when this world wide era of prosperity did arise, Canada was in a position to derive the advantage of it. Was it not owing to a wise government that Canada passed almost undisturbed through the great depression which shortly prior to 1896, struck the United States with cyclonic force ? Was it because this country had been so well and wisely governed that an eminent United States authority at the time, contrasting the condition of things in the United States, where thousands of financial institutions were going down in ruin, with the prosperous conditions of Canada, where no financial distress was felt, wrote as follows :

In the Dominion of Canada separated from us on the north by an imaginary line there has been no panic, no increased demand for money, no stoppage of industries, no restriction of trade, no increased rate of interest, in short nothing beyond the ordinary course of events except so far as these events may have been influenced by contiguity to what may be termed a financial cyclone whose pathway of destruction was contiguous to, but not within Canadian teritory.

Sir WILFRID LAURIER. Who said that ?

Mr. BELL. Mr. Wells in the 'Forum.'

Sir WILFRID LAURIER. In what year was that ?

Mr. BELL. I think it was in 1894. It was at a time when my right hon. friend was not in power, at a time when the affairs of this country were administered by a Conservative administration. The right hon. gentleman received the country's affairs into his hands from that Conservative administration, stable and undisturbed, and running as smoothly as they are described in that extract.

When we come to deal with trade questions we are simply dealing with arithmetical questions. It is nonsense for any one to pretend that there is any mystical influence exerted by man or administration to account for prosperity in the country. In addition to that reason of a supernatural sort for whose origin we look to the Almighty giver of all good there is a reason of a material kind for everything that happens, and you can generally reduce that reason to figures. You can satisfy yourself, if you are a business man, as to the reason and the extent of the good times, and not feel bound to attribute them to any mystical or mysterious agency. To a considerable extent there can be no doubt that the increase of the trade of this country has been due to the good prices of recent years. It is not entirely that we have been producing any more, that we have been so much more active, although we are active, or that we have been so much more industrious, although we are industrious. It is due to the fact that an extraordinary increase of prices has occurred at a time when we have had an unparalleled series of good harvests, when our country has been healthy, free from plague and misfortune of every character, when peace has prevailed in our land, when our industries have been uninterrupted. This is what accounts for that wonderful prosperity to which I feel that the right hon. leader of the government must owe a great deal of the satisfaction with which he has governed this country during his term of office. Our business in this country is very easily understood ; it is very simple. Great Britain has an enormous revenue apart from the revenue from her exports. For her foreign investments it is estimated she has a revenue of $450,000,000, and from her enormous shipping, which practically governs every sea and earns money in every port of the globe, it is estimated that she has a revenue of $450,-

000,000; $900,000,000 per annum is the extent to which Great Britain is the world's creditor; and so long as her imports do not exceed her exports by that sum, she is paying her way, because she is only receiving in kind the debts owing to her from the outside world. But in Canada we have not much of these sources of revenue. The imports of this country, no matter how much they may be, are dependent almost entirely on the amount of our exports. They are paid by our exports, and are limited by our exports; and there can be no question at all that one of the reasons which have operated to place my right hon. friend the Minister of Finance in the fortunate position of being able to repeat again the story of the continued expansion of the trade of this country have been the high prices for our products which have prevailed in the world's markets. These have not been peculiar to Canada. They have prevailed everywhere. One authority, Sauerbeck, puts the index number of the world's prices in 1896 at 61; in 1902 it stands at 69, a gain of 8 points. Bradstreet, another authority, points out that in 1896 it stood at 67.2, and in 1902 at 86·3, a gain of some 19 points. These figures show that the articles which we are in a position to supply to the outside world are being bought from us at high prices, and to a large extent account for our large exports, which in turn account for our large imports. I have prepared a table to show to what extent these advances in prices have affected our trade; and it shows the following increases of prices from 1896 to 1903: cheese, 2·4 cents per pound; wheat, 16 cents per bushel; bacon, 3·1 cents per pound; boards, planks and scantling, $4·16 per thousand; deals and ends. $7.28 per thousand; and butter, 2·5 cents per pound. There have been declines in coal of 42 cents, in cattle over one year of $3.12, in flour of 20 cents, and in hay of $1.22. But in the great items of our exports—cheese, wheat, bacon, lumber—the prices have all advanced enormously. On a few of these items, from the increased prices alone, irrespective of quantities, we gained in 1903 over 1896: in cheese 5·5 million dollars; in wheat, 5·3 millions; in bacon, 4·3 millions; in boards and planks, 4·2 millions; in deals, 2·6 millions; and in butter, 1 million dollars. Therefore it seems to me very much more reasonable and likely that we owe the prosperity of this country at this time, which we all delight to see, not so much to the fact that our good friend the right hon. gentleman who presides over the present government is in power, as to the fact that we have had good crops, that there has been no interruption to our industry, that wars have not taken place within our borders but beyond our borders, that a great centre of industry has developed in the Yukon, that we have enjoyed high prices for our great products, and generally speaking that we have enjoyed good luck every year such as the right hon. gentleman never hoped to see when he came into power.

These are the things which have contributed to our prosperity and not any act of administration on the part of this government. But I suppose it is for want of any better reason that everywhere and at all times the argument you hear in favour of retaining this government in power is the old story of the full dinner pail. That I dare say is a good enough thing for its own place and occasion, for the stomach, but to hear this argument advanced in this House, to hear the Finance Minister year after year repeat to his listening followers the figures of this prosperity and to hear them cheer over these figures which indicate nothing at all as to the merits or conduct of the government, provokes one to go through what might be a meaningless and senseless task and to point out the fact that if the good times in this country are owing to the administration, then the influence of the government extends to every country in the world, for every country has participated in the good times that have come to Canada owing to the administration of this government. I have collected the figures for seventeen countries, Argentina, Austria-Hungary, Belgium, China, France, Germany, India, Italy, Japan, the Netherlands, Norway, Russia, Spain, Sweden, Switzerland, Great Britain, and the United States, and I find that all these have shared in the prosperity. The aggregate trade of all these countries in 1902 was $17,417,456,485, and in 1896, the year in which this government came into power, the aggregate trade of these seventeen countries was only $13,834,198,136. They have increased their trade in these years by $3,583,257,849, an increase of 26 per cent, so that it is quite clear that if we are to attribute the welfare and prosperity of this country to the administration that we have had, that administration is apparently so effective and so powerful in the direction of inducing and sustaining prosperity that its influence has extended until it might properly be called world wide. Canada is a country that should make enormous gains, a country that is rapidly deriving wealth from outside countries. A large population is flowing from other countries into Canada bringing means of subsistence, entering into active operations, adding to the wealth of this country and developing its trade. We are not limited to the growth of our own population; we are receiving population from abroad. The countries which I have cited, include the oldest countries in the world, those that may be thought to have reached their full development. Only one in the list, Argentina, is in circumstances something like our own. The others are all old countries. The fact to be learned from these figures is that at the present time we are living in a period of inflation, that the country is wealthy because the world is prosperous, the world is

wealthy. It would not be well to leave the consideration of a budget speech without to a certain extent calling the attention of the country to the manner in which the government is administering the affairs of the country, and considering whether it is utilizing its position for the advantage and relief of the people, or for the convenience, advantage and relief of the government, and its supporters, those who have the strongest claims upon it. Has this government administered the affairs of the country in such a way as to lighten the burdens of the people or in such a way as to increase their own glory, to advance their own welfare, to comfort and to make everything pleasant for those who are nearest the administration? Is this a government which properly fulfils the ideal of Liberal administration, knowing no favourites, recognizing no class distinctions, administrating the affairs of the country with a single eye to the welfare of the citizens, even the humblest of them? It is impossible to review the history of this administration and come to the conclusion that they have governed Canada in that way. The members of this government while in opposition placed themselves on record as opposed to everything that led to increased debt, to increased expenditure and to increased taxation. What is their record now that they are in power? They have lived up to the policy and followed the course which they condemned as an improper one for their Conservative opponents to follow when the Conservatives were in power. The trade of this country has increased; its prosperity has been great. The outlay of the government has increased in every direction; the increase is enormous. The revenue has increased and that portion of the revenue which the hon. gentleman and his colleagues condemned the late administration for increasing, the taxation of the people, has increased enormously. In this present session this administration has passed through this parliament a measure which if it be carried out will add to the debt of this country, a debt which is fixed at $257,000,000, an increase of something like $170,000,000. Not only has the trade increased, but everything else has. Revenue and taxation have increased; and if my hon. friend's views are given effect to, in a very short time the debt will be increased to an enormous extent. My hon. friend the Finance Minister points to a reduction of debt this year of about a million dollars, and the First Minister leads the way to an increase in our public debt of $170,000,000.

My hon. friend the Finance Minister has developed to-day another idea which must be exceedingly distasteful to the Minister of Trade and Commerce. In the course of the last number of years, he has taken great pleasure in telling us of the savings of the people and seems to think it an evidence of prosperity that the people should have increased their deposits in the savings banks. That idea is a new one coming from that side. In the old days the Minister of Trade and Commerce used to scoff and sneer at this argument when advanced by the Finance Ministers of the Conservative party. He said that the deposits in the savings banks were evidences of debt and not of prosperity. He asked: 'Where is the money? You have not got it. If a run were made on your bank to-day, you would have to go to England and borrow it. You owe it.' and then he used the very significant phrase: 'It is interred in the public works and railway subsidies to keep some one behind the minister in good humour.' I would like to know how far that utterance applies to the present condition of things. We voted railway subsidies with a very liberal hand last session and railway guarantees with equal prodigality. I wonder if these caustic remarks of the Minister of Trade and Commerce can apply as truthfully to the bank deposits of to-day as they did to the bank deposits in the days of the Conservative administrations. We used always to think that it was a good thing for the people to be careful and to go on swelling their bank deposits, but there was a higher wisdom than that which was revealed to the world by the Minister of Trade and Commerce, and that hon. gentleman must have been overcome by deep sadness when he heard his bosom friend and companion the Minister of Finance deliberately promulgate such a heresy as to ask the country to believe that there is any advantage or merit in the fact that the people are saving and depositing their savings in the banks. Bank deposits, he said, are evidences of debt and not of prosperity. You have not got the money. You know you have not got it. The money is spent. It seems to me it would be well if the Minister of Trade and Commerce would take his erring colleague aside and prevent his making such shocking breaks in public. My hon. friend the Minister of Trade and Commerce ought to start a kindergarten, where he might educate his colleagues in private and not be put to the pain of teaching them in public of the falsity of the doctrines which they are giving to the people.

If the trade of this country is growing and its prosperity, its expenditure is not lagging behind. The Conservatives had the idea, when they were in power, that they ought to reduce the expenditure, and the average Conservative expenditure from 1892 to 1896 was $42,141,763, or nearly $400,000 per year less than it was from 1887 to 1891. Their total expenditure in 1896 was $41,702,353, deducting the Quebec subsidies $2,394,000, which the Minister of Finance very ingeniously added to the expenditure of the Conservative administration for that year, although that money was not spent in that year. It appeared in the public accounts as a sum on which interest was be-

ing paid to the province of Quebec since 1882, and it is still shown in the volume which the Finance Minister issues to the public as a sum of money on which the government is paying interest. It was not treated as a debt until he saw fit to do so. Therefore the correct figures for 1896 of the expenditure are $41,702,383. The Conservative administrations were economical. In the years 1892-1896, the Conservative government was a government of retrenchment. That government must have been listening attentively to the speeches of my right hon. friend the Minister of Trade and Commerce and of my hon. friend the Minister of Customs and others, and was trying to live up to the idea of statesmanship held up to them by these gentlemen. But since 1896 there has been no retrenchment. The very gentlemen who preached so loudly in favour of that policy have shown no taste for it, and the total expenditure of the Grit government has exceeded the average total expenditure of the Conservatives in the period, 1892-1896, in every year, as follows :

In 1897 by..	$ 830,992
In 1898 by..	3,192,518
In 1899 by..	9,400,872

Now they were getting comfortably seated in the saddle and began to see what they could do. In 1900 they exceeded the expenditure of the Conservatives by $10,575,703. They had by this got into their stride, and in 1901 they exceeded the expenditure of the Conservative government by $15,841,109. In 1902 they again eclipsed the record and exceeded the average Conservative expenditure by $21,829,036. But in 1903, possibly owing to the fact that the session was considerably prolonged and they had no opportunity to spend the money voted for public works and possibly because there was a degree of uncertainty as to whether we would have elections or not, they seem to have practiced some measure of economy and reduced their expenditure sufficiently to make its excess over the Conservative record only $19,604,808.

Well, we all know that in 1893 the right hon. gentleman who now leads the government, repeatedly said that if we were entrusted with power he would reduce the total expenditure of this country by from $2,000,000 to $3,000,000 per annum. His colleagues went further. The Minister of Customs thought he could save $6,000,000 per annum. But from $2,000,000 to $6,000,000 per annum was the saving which these hon. gentlemen pledged themselves to make if they were ever put in office. They were satisfied it was the easiest thing in the world to do if they only got the opportunity. But what has happened since ? Since July, 1896, the Prime Minister has been administering the affairs of Canada and not only has he failed to reduce our total expenditure by $2,000,000 or $3,000,000, but he has largely increased it. In 1893 the Conservative expenditure was $40,853,727. In 1897 this government spent $42,972,756, or an increase of $2,119,028. Their record is as follows :

		Increase.
1897..	42,972,755	2,119,028
1898..	45,334,281	4,480,554
1899..	51,542,635	10,688,908
1900..	52,717,466	11,863,739
1901..	57,982,866	17,129,139
1902..	63,970,799	23,117,072
1903..	61,746,571	20,892,844

Thus the premier of Canada, after pledging himself to govern this country with $2,000,000 or $3,000,000 less than the Conservatives had spent, has led his party into an expenditure greater than that of 1893 by $23,117,072, in 1902, and greater by $20,892,844 in 1903. No words are needed to emphasize the importance of this statement. He must stand condemned of having spent, without knowledge of the subject, having spent recklessly, or never having made the slightest attempt at economy, this enormous sum in excess of the Conservative administration. The Conservatives did not aim at rolling up enormous surpluses, they did not aim at a great revenue or at great taxation. The Conservative policy of finance was the same as that of Great Britain, the same as that of any civilized country in which the ideal is the greatest good to the greatest number. They adjusted their taxation to their expenditure, and when it was necessary to call upon the people for extraordinary contributions, they did so. When it was possible to relieve the people of a portion of their burden, they did so. The Conservatives, between 1891 and 1895, made great reductions in the tariff, and they were taunted with having no surpluses in those days. On the other hand this administration can point to surplus after surplus. The Conservatives, instead of having surpluses, left the money in the pockets of the people. Between 1891 and 1894 they made reductions on sugar, molasses and glass, and in 1894 they made a general reduction affecting hundreds of items in the tariff. The Liberal speakers always contended that taxation in this country was too high. Sir, I do not know anything more graphic, more interesting than to read the eloquent and burning words that fell from the lips of the Minister of Trade and Commerce, of the late Hon. David Mills, and of my right hon. friend, and of an hon. gentleman who is now adorning a seat in another chamber, when they denounced the high taxation of this country. Now what is the record of this administration ? Why, this government, since it came into power, has taken from the people in taxation and received in revenue the following sums :

IN YEARS FROM 1897 TO 1903.

—	Volume of Taxation.	Revenue.
	$	$
1890	31,587,071	39,879,925
1891	30,314,151	38,579,310
1892	28,446,157	36,921,871
1893	29,321,367	38,168,608
1894	27,579,203	36,374,693
1895	25,446,198	33,978,129
1896	27,759,285	36,618,590
1897	28,648,626	37,829,778
1898	29,576,455	40,555,238
1899	34,958,069	46,741,249
1900	38,242,222	51,029,994
1901	38,743,550	52,514,701
1902	43,389,111	58,050,790
1903	49,015,505	66,037,068

The administration which, in 1896, took $27,000,000 from the people, were condemned by these hon. gentlemen who, in 1903, take $49,000,000 in taxes from the same people who they declared were oppressed by the Conservative administration. Why, Sir, such a record has never been made by a party in any parliament in the world. No wonder the right hon. the Minister of Trade and Commerce laughs. He may well laugh. The idea that any man in Canada was such a fool as to believe one word that hon. gentleman uttered when he was denouncing this expenditure, when he was talking about the people being bled white, when he was describing the state of affairs of this country, the oppression, the depression, the gloom that existed, talking of it in such terms and such tones that he drove the people out of his own county, and out of the country generally, into the United States in order that they might escape from the intolerable burden of a taxation of $27,000,000, which he increased on coming into power by considerably more than 50 per cent. No wonder he laughs. It is the greatest joke that has ever been perpetrated, not only upon a country but upon a suffering people. And the people of this country listened to him, believing him, and he is now in office; he is now taking $49,000,000 a year from those same people whom he pitied so much when the Conservatives were taking from them $27,000,000. No wonder the hon. gentleman laughs, no wonder he chuckles and keeps his seat, keeps his place in that fifth wheel to the coach, the Department of Trade and Commerce, that asylum for incapables, as he described them. He keeps his emoluments and keeps his smile; he chuckles and grins, and well he may. But what will the people of Canada say about it? It is not likely the laugh will be altogether on the same side of their faces.

Now let us look at the increased expenditure in this country. The best way to measure this is to show how it affects the individual. Let me read this table showing the taxation and expenditure per head since 1895:

Year.	Taxation per head.	Expenditure per head.
	$ cts.	$ cts.
1892-95	.....	8 41
1896	5 46	8 14
1897	5 57	8 28
1898	5 69	8 63
1899	6 65	9 72
1900	7 15	9 95
1901	7 19	10 76
1902	7 95	11 72
1903	8 87	11 17

This table shows that although the people were bled white seven years ago, under the then rate of taxation, they have recuperated with astonishing rapidity, because they are now able to pay $8.87 per head whereas seven years ago they were almost exhausted when they paid only $5.46 per head. The Minister of Trade and Commerce can well laugh and smile over the situation. Evidently the patient has improved under this system of blood letting, he thrives upon it, so long as it is the Minister of Trade and Commerce who performs the operation.

Let us now look at the expenditure under the Conservative regime:

	Total Expenditure.
1890	$41,770,333
1891	40,793,208
1892	42,272,136
1893	40,853,728
1894	43,008,234
1895	42,872,338
1896	44,096,384
Total	$295,666,361
Average	$ 42,236,052

The Liberal administration, the careful administration, the economical administration, the administration who bled for the people's suffering and who are now bleeding the people, had an expenditure as follows:

1897	$42,972,756
1898	45,334,281
1899	54,542,635
1900	52,717,467
1901	57,982,866
1902	63,970,800
1903	61,746,572
Total	$379,267,377
Average	$ 54,181,054
Excess Conservatives—	
For seven years	$83,601,016
Average	11,943,002

Now, with such a record as that it is very natural that the people of the country should wonder how they manage to get clear of the money, but when we come to examine the figures in detail we find that there have been increases in every direction, as the following table will show:

INCREASE OF EXPENDITURE.

	1896.	1903.	Increase.	Per cent.
	$	$	$	
Administration of Justice	758,270	959,948	201,678	26·6
Arts, Agriculture and Statistics	210,878	436,402	225,524	107·
Census, 1891	549,992	1,149,879	599,587	109·
Civil Government	1,396,628	1,554,792	158,164	11·
Fisheries	427,251	527,829	100,578	235·
Immigration	120,199	642,914	522,715	435·
Quarantine	95,247	263,331	168,084	177·
Lights and Coast Surveys	466,058	964,144	498,086	107·
Miscellaneous	172,363	528,231	355,868	207·
Ocean and River Service	181'452	417,137	235,685	130·
Public Works	1,299,769	4,065,553	2,765,784	213·
" Collected Revenue	159,460	562,404	402,944	253·
Railways and Canals Collected Revenue	3,826,226	7,221,705	3,395,479	91·3

Through all of these departments there is an increase which averages just about as the census averaged; that is to say that a public work which is going to cost the people of Canada under Conservative administration $1 is going to cost $2 under this administration. When our hon. friends opposite boast of their increased aggregates of their increased revenue and of their magnificent surpluses they might as well tell the whole story at once and say that they have made their expenditure and taxation fit in with each other. What is the justification of the whole thing? The justification is the surplus. If you challenge any hon. gentleman opposite in this House or out of it as to the administration, he points to the fact of the enormous surplus. That is the one justification; that is the one answer. You may take the government on any point you please, you may point to a record that ought to earn for it the condemnation of the people and the answer is 'good times and surpluses.' Conservatives do not aim at surpluses. Conservatives understand that the policy of the country ought to be that the revenue should not be in excess of the expenditure, that it is good financing to require that the taxation of the people should be reduced and the consequence was that during the period of good times which prevailed previous to 1896 the Conservative administration remitted taxation upon sugar and relieved the people to the following extent:

REMISSION OF TAXATION.

1891	$ 227,477
1892	5,200,000
1893	4,000,000
1894	4,821,000
1895	5,603,521
Total	$19,851,998

	Surpluses.	Deficits.
1891	$ 155,977	
1892	1,354,555	
1893		$1,210,232
1894		4,153,875
1895		330,551
Net deficit		$4,182,227
Total taxation remitted		$15,669,771

Instead of hanging this up and piling up surpluses they left the money in the pockets of the people, a place where it will do far more good. After providing for the deficits which occurred at the close of that period there was an amount of money remitted to the people of this country of $15,669,771 under Conservative administration. Was it not better for the people that the Finance Minister of that day had not so much pride in surpluses? Was it not a better governed country, a more happily governed country when the ambition of the Finance Minister of that day was to make his revenue and expenditure agree and not to have his revenue enormously in excess of his expenditure? It was more scientific financing. It was better financing in the opinion of those hon. gentlemen who are now supporting my hon. friend the Minister of Finance in his course in gathering up surpluses. I have been quoting considerably from my right hon. friend the Minister of Trade and Commerce. I have no doubt that within his recollections he has treasured up some of his eloquent utterances on the subject of surpluses. I would be very glad to call to his attention and to the attention of the administration as well some of the opinions that were held and proclaimed by him in the past in reference to surpluses. In 1882, for instance, Mr. Tilley had a sur-

plus and the hon. gentleman representing Oxford was indignant about it. He was amazed that Mr. Tilley should boast of such a thing. He evidently knew that Mr. Tilley did not understand what an improper thing a surplus was. So, he addressed him in these words. The right hon. Minister of Trade and Commerce who speaks as being decidedly in favour of a surplus at the present day talked in this fashion of our benighted friend, Mr. Tilley, when he had a surplus :

I ask how it was got. $1,100,000 we derived from two of the most odious and oppressive taxes which were ever imposed in a civilized country before under similar circumstances at least.

The taxes on breadstuffs and fuel. If he really wants to relieve the people, let him remove the taxes on breadstuffs and fuel.

The right hon. gentleman has been in power seven or eight years and he has not removed the taxes from breadstuffs and fuel. He was very much persuaded of their iniquity in 1882. Is it that the right hon. gentleman has seen the light since that time ? Is it possible that he can sit contentedly and quietly in the government and cheer the surpluses that are made up to a large extent from the duties on breadstuffs and fuel, from these two odious and obnoxious taxes whose imposition, was a disgrace to the former administration ? Yet, the right hon. gentleman sits there contentedly and quietly and smilingly assists in taking from the people of Canada and putting into surpluses, in the year of grace 1903, $226,524 on breadstuffs, and $1,914,330 on fuel. Then, there was another wise gentleman who knew of the iniquity of surpluses, a gentleman who has since passed to his rest, but who was a very prominent man in this House, the late Mr. Justice Mills, and he spoke in the same strain. Mr. Mills said :

He boasts of a surplus. I say that a government is not entitled to have a surplus.

There is no stimulus to economy when a large surplus remains in the hands of a government.

A large surplus invites to extravagance and has invited to extravagance in this country.

I wonder if it has recently invited extravagance. In the hands of this present government no doubt it no longer invites extravagance. The taxation and expenditure of this country have almost doubled in the hands of these hon. gentlemen who boast of the fact of having a surplus every year. Evidently in their hands a large surplus invites to extravagance and has invited to extravagance. But, there is a good reason for the right hon. Minister of Trade and Commerce, the hon. Minister of Finance and others, why it was unquestionably advisable that they should not have surpluses.

A large surplus unduly burdens the people. The $16,500,000 which the Minister of Finance boasts of this year amounts to almost $3 per head of the population of Canada. The average family of six contributes $18 per year to swell the glory and the shoutings about surpluses of the Liberal party in this House to-day. From the poorest family in Canada $18 is exacted, which could be remitted to them, because there is no reason why the government should have that surplus, if it did not choose to have it. The government of Canada has taken out of the pockets of every family of this country the sum of $18 in order that they and their followers may swagger about this country, and boast that they have the greatest surplus that has been.

Mr. COWAN. And you would propose to increase the tariff so as to increase the surplus.

Mr. BELL. My hon. friend (Mr. Cowan) is not so green that he does not know that you can increase a tariff without increasing the revenue. If he does not know it, then I would ask the Minister of Trade and Commerce when he speaks to enlighten the hon. gentleman on that point. A surplus takes money out of the possession of the people to whom money is worth six per cent, or seven per cent, or eight per cent, or nine per cent, or ten per cent per annum, and it puts it in the hands of the government whose money is only worth three per cent. A surplus diverts money from a position in which it could earn an average of seven per cent, to a position in which it can only earn three per cent. It is a diversion of a portion of the national wealth from a more productive to a less productive application. It is therefore mischevious. It causes great demands on the treasury ; it emboldens every man who wants to come to the administration with a scheme. Every land-grabber, every corporation broker, every one who is in a position to pull the wires here is emboldened, to do so, because he knows that in the hands of this administration there is a surplus this year of sixteen and a half millions of dollars.

Hon. gentlemen opposite have been boasting a great deal of the debt of this country. Probably nothing could be more unfair or more absurd, than the manner in which the Finance Minister of this government contrasts the record of this administration during the past six years of abounding and overflowing prosperity with the condition of Canada during the eighteen years of Conservative rule. During this period of abounding prosperity this government have managed to reduce the debt of Canada by $1,000,000, whereas the Conservative administration which made Canada, took it in the rough, built it up, furnished it, gave it a home, gave it all these things which are necessary to a civilized people, had to take some $6,500,000 a year

to add it to the debt of this country. What has this government done with the $58,000,000 of surplus? What has it done in the way of the construction of great public works? Where are the great canal systems, or the great railway systems they have built? Sir, the Conservative government which came into power in 1878 and remained in power until 1896, gave Canada the Intercolonial Railway at a cost of $65,000,000; gave Canada her canal system at a cost of $36,000,000; assumed provincial debts to the amount of $10,400,000; built branches of the Intercolonial Railway at a cost of $20,500,000; assumed the cost of the deepening of the St. Lawrence, $2,500,000; paid for the Quebec and North Shore road, $2,250,000; paid for the cost of the Northwest rebellion, nearly $5,000,000; they paid all these sums amounting to $142,500,000 out of revenue, and they added to the debt of the country $118,000,000. And in face of this, all that the Minister of Finance can boast of to-night is that during these years of marvellous prosperity, the Liberal government have reduced the debt of Canada by one million dollars. The Minister of Finance must have very little respect for the great men of the past who represented the Liberal party in this country. These gentlemen opposite cannot have forgotten the Mackenzie regime. That government built no great public works in Canada. Surely the late Alexander Mackenzie was a good man, and a capable man, and his associates were very good men, but what was their record as to the public debt? Mr. Mackenzie did not live in a period when the tide of prosperity was flowing abundantly. In 1874, when he came to power the national debt was $108,000,000; in 1875 it was $116,000,000; in 1876 it was $124,000,000; in 1877 it was $133,000,000; and in 1878, when the Mackenzie government left power, the national debt was $140,000,000, an increase of $32,000,000 during the Mackenzie regime, when some of the gentlemen who are now ministers of the Crown were at that time also administering the affairs of Canada. In so far as the Liberal record in connection with our debt is concerned, this government seems to owe a very great deal more to the good fortune which has put them in power during a period of world-wide prosperity, than to any special wisdom with which they have conducted national affairs.

I think, Mr. Speaker, I have fairly enough reviewed all the points raised by the Finance Minister. I have dealt with his surpluses, with his taxation, with his trade proposals, with his tariff reform. While I congratulate the government on showing some disposition even in a very faint-hearted fashion to grapple with the trade question of this country, I am perplexed to know why it is that they should resort to the old expedient of delegating their powers of government to a commission. Whatever else this government may be known as in history, it will certainly be known as a government which eclipsed all others in the employment of commissions. No matter what the inquiry to be made, or the work to be done, a commission is employed by them, and even when it has to make up its mind as to policy it resorts to a commission to suggest that policy. Well, judging by something that has occurred recently perhaps it is as well that the government should not trust to itself, but that it should call in some of its wise men to do its thinking for it. Last session the government promised a commission to inquire into transportation, and as to the best and most economical means of carrying Canadian products through Canadian ports. But the government would not wait for that commission; nothing could wait; time could not wait, and so they went on to decide on a railway policy without the assistance of that commission. And, Sir, judging of what we have learned of that railway policy in the course of two sessions of parliament, of its innumerable and fatal defects; we cannot help regretting that the government did not adhere to its first determination, and let this commission decide on its railway policy. Perhaps it would be well for us at this time to conclude, that it may be in the highest interests of Canada that this government should not allow itself to make up its mind on the subject of its tariff policy, but should delegate that duty to a commission. If that commission be well chosen, it may be that it will be better for us that the government should avail of such an opportunity of letting itself down from that position of uncertainty and hesitancy which it has occupied for the past eight years, under cover of the findings of a commission. There is no doubt that the government to-day recognize the fact that protection is and is to be the policy of this country. They recognize the fact that all the progressive nations of the world are making headway under that policy. They must know and recognize the fact that for Canada to go on and fulfil her destiny, she must not abandon her industrial development, but must increase it, and thus hasten the day when the country will pass out of a position of hesitancy and doubt into a position where the government will have a clear and well-defined policy, and will follow it to the end. For this reason, although it is an undignified and unsatisfactory method, we shall welcome the opportunity which the appointment of a commission will afford to assist the government in deciding upon the step upon which it has probably already in its own mind decided.

Sir RICHARD CARTWRIGHT. Mr. Speaker, I believe the House was occupied to a rather late hour last night, and after listening to two such speeches as we have had to-day, they will be disposed to thank

me for moving the adjournment of the debate. I therefore move that the debate be now adjourned.

Motion agreed to, and debate adjourned.

On motion of Sir Wilfrid Laurier, House adjourned at 10.30 p.m.

HOUSE OF COMMONS.

WEDNESDAY, June 8, 1904.

The SPEAKER took the Chair at Three o'clock.

PRIVATE BILLS—EXTENSION OF TIME.

Mr. BENJAMIN RUSSELL moved :

That the petition of John F. Stairs and others, presented this day, praying to be permitted to lay before the House the petition of the provisional directors of the Alliance Bank of Canada for the passing of an Act to extend the time within which to obtain a certificate from the Treasury Board, as required by section 14 of the Bank Act, notwithstanding the expiration of the time for presenting petitions for Private Bills, be read and received, and referred to the Select Standing Committee on Standing Orders.

He said : I ask leave of the House to make this motion with reference to the petition which I presented a moment ago on behalf of the Alliance Bank for the extension of the time within which the company are required by their charter to obtain the customary certificate from the Treasury Board. The reason the petition was not presented earlier and the legislation obtained is that the parties have been hoping from day to day that they would be able to get along without any extension of time.

Mr. R. L. BORDEN. The hon. gentleman's remarks are quite inaudible here.

Mr. RUSSELL. I know that my hon. friend (Mr. R. L. Borden) has such confidence in me that he will know what I say is all right.

Mr. R. L. BORDEN. I did not even hear that brilliant sally.

Mr. RUSSELL. I am asking for leave to have a preliminary petition, which I presented a few moments ago, referred to the Standing Orders Committee for the purpose of determining whether the petitioners should have leave to have a Bill introduced here for the purpose of extending their time for getting their charter under the Banking Act. This is a banking company incorporated under the Act of last session. They anticipate that they will not be able by the 4th October, the limit fixed by the law, to complete their organization and be in a position to obtain their certificate.

Mr. BELL.

Mr. R. L. BORDEN. I think the hon. gentleman (Mr. Russell) would be justified in his request, because much more serious action was taken by the government in the case of the Grand Trunk Pacific Railway Company. Certainly there should be no objection from that side of the House.

Hon. W. S. FIELDING (Minister of Finance). Notwithstanding that, I am going to raise a qualified objection, not to the immediate motion, but to the practice. It is not good practice to extend the time for the organization of banking companies. We have done it once or twice this session, and I suppose we will have to be reasonably consistent and permit the hon. gentleman to get his Bill as others have done. I think that the rule requiring a bank to be organized within a year of the granting of its charter is a wise rule. I suppose that the practice is objectionable in the case of any company, but the principle of parties having banking charters and hawking them around is very unsound. I think that in view of the present banking conditions of the country, if any parties want to organize a bank they should have the men, the capital and the organization in sight before coming to parliament. If, after getting a charter, they are not able to organize within the time prescribed by the Banking Act they should have an exceptionally strong reason for asking an extension of time. We have granted the privilege in one or two instances, and to be reasonably consistent I suppose we will have to permit the hon. gentleman to have his Bill. I, however, would ask hon. gentlemen on both sides of the House to recognize the soundness of the principle, and not encourage these applications hereafter.

Mr. DAVID HENDERSON. I am glad to see that the hon. the Finance Minister takes a different view in regard to this from the view he took last year. It will be within the memory of the House that I moved an amendment to the charter when it came up last year, and protested against the numerous applications that were being made for new bank charters. I think that the statements that I then made are well borne out by results, because, so far as I am aware, only one of the nine charters granted last year has yet produced any result, and it appears that, as the Finance Minister has said, after hawking around these charters year by year the promoters are unable to procure the funds requisite to establish these new banks. I am glad that the matter has come up again, because it will afford me another opportunity of perhaps pressing more effectually on the House the view which I expressed last year, and I would take this opportunity of intimating to the hon. member for Hants (Mr. Russell) that possibly when the Bill reaches the proper stage I may again present my amendment and may ask him, under the new condition of things, if he will not accept it.

Mr. R. L. BORDEN. I would like to say that as far as the gentlemen interested in this Bill are concerned, I do not think they are deserving of the expression which has been used by the Minister of Finance and my hon. friend from Halton (Mr. Henderson), because, knowing them as I do, I can assure the House that they have not been hawking these charters around. So far as I am aware, they are not disposed to do that. I was not aware that this matter was coming up to-day, my hon. friend from Hants (Mr. Russell) did not notify me, and perhaps I am speaking without the book, but I believe that the conditions which have made it necessary to ask for the extension of this charter are conditions which not only afforded ground for an amendment to the Grand Trunk Pacific Bill, but they are conditions which have made it necessary for this country to effect a temporary arrangement for three years of loans on the public credit of this country. This bank received this charter last year, and every one knows that the condition of the money market since then has made it extremely difficult, if not impossible, to float any enterprises. While I agree with the Finance Minister that, as a general rule, and in ordinary cases, extensions of this kind should not be granted; and while I thoroughly agree that bank charters should not be hawked around the country, nevertheless I do not think the circumstances in this case call for any reproach of that kind, and the condition of the money market seems to me to make the case absolutely exceptional. I simply say this because I think I know the gentlemen who are connected with this company in Nova Scotia, and they really do not deserve any such reproach.

Mr. FIELDING. In the remarks which I made I had no reference to particular individuals. I did not even know who the gentlemen connected with the charter were, but now that I begin to think, I remember one of them, and certainly he would not be open to any such reproach. My remarks had no reference to the individuals connected with the charter, and certainly with regard to the only gentleman whose name I ever heard connected with it, I would not suggest the idea of his hawking a bank charter. I was speaking generally, because we have had a number of applications of this kind. Nothing was further from my thoughts than to refer to any individual. I was referring to the general rule.

Motion (Mr. Russell) agreed to.

SUPREME AND EXCHEQUER COURTS ACT.

Mr. L. P. DEMERS (St. John's and Iberville). (Translation.) Moved for leave to introduce Bill (No. 133) an Act in amendment of the Supreme and Exchequer Courts Act.

Mr. T. C. CASGRAIN (Montmorency). Will the hon. gentleman kindly explain?

Mr. L. P. DEMERS. (Translation.) The Bill is the same as the Bill I introduced last session and also the session previous. Its object is to limit the jurisdiction of the Supreme and Exchequer courts to federal matters exclusively. The Bill is set down exactly in the same terms as the above mentioned Bill. As my hon. friend from Montmorency is aware, the Chief Justice of the Supreme Court, Sir Elzéar Taschereau, has had the opportunity of commenting upon this question in Montreal and of expounding his own views as to its purport. He acknowledged that the jurisdiction of these courts should be restricted to Dominion matters. Moreover, a number of newspapers in Ontario, the 'Toronto News' among others, have declared themselves favourable to the idea of restricting the jurisdiction of these courts to federal cases. These utterances have induced me to reintroduce this Bill, believing as I do that the most enlightened people in Ontario would join hands with the people of the province of Quebec in asking that the Supreme and Exchequer courts shall not decide any but Dominion and maritime cases, and litigation as between two provinces, or as between the individuals and the government of a province, or as between the inhabitants of a province and the authorities of another or several other provinces. I have previously discussed this question in this House and as my hon. friend from Montmorency has without any doubt followed closely the discussion, he must be familiar with the Bill I now introduce.

Motion agreed to, and Bill read the first time.

QUESTIONS.

WHARF AT CHAMPLAIN, QUE.

Mr. CASGRAIN asked:

1. Does the government intend to construct a wharf at Champlain, in the county of Champlain?
2. If so, has the government selected the site whereon the said wharf is to be built?
3. To whom does the said site belong?
4. What price has the government paid, or is it going to pay, for the said site?

Hon. C. S. HYMAN (Acting Minister of Public Works). The government has purchased a wharf and approach from Mr. H. Arcand, for the sum of $1,000, and has under construction the repair and extension of the wharf.

MR. JOHN BERRIGAN, KING'S COUNTY, P.E.I.

Mr. LEFURGEY asked:

1. Is Mr. John Berrigan, of lot 39, King's county, Prince Edward Island, employed in looking after the fisheries at St. Peter's lake, in the said county and province?
2. If so, how long has he been in the service, and what amount has been paid him to date?
3. Is he employed by the season, month, week, or day; and what are his duties?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) :

1. Yes.

2. Since June, 1898. Seventy dollars.

3. Up to 1903 he was paid ten dollars per season, and since then at the rate of twenty dollars per season.

I. C. R. PASSENGER RATES PER MILE.

Mr. CLARKE—by Mr. Lefurgey—asked :

1. What is the local passenger rate per mile in effect on the Intercolonial Railway system ?

2. What is the through passenger rate per mile in effect from Montreal and Quebec to Atlantic ports ?

Hon. H. R. EMMERSON (Minister of Railwys and Canals) :

1. The local passenger fares are based as follows : The first class fare is three cents (.03c.) per mile up to 100 miles ; and from 100 up to 400 miles the rate per mile is lessened until 400 miles is reached, when the rate is two cents (.02c.) per mile, or $8.00 first-class for 400 miles. This is the lowest rate per mile first class. For distances 800 miles and over the rate is two cents (.02c.) per mile first class. For any distance over 400 miles, but under 800 miles (say 600 miles) the rate is based by adding the tariff for 400 miles—$8.00 to the tariff for 200 miles—$4.78, making $12.78 first-class fare for 600 miles. The second-class rate per mile is two-thirds of the first-class rate. Return fare is one and one-half first-class fare.

2. In regular through fares Montreal and Quebec to Atlantic ports, the rate per mile is as follows : Montreal to St. John, 1 91-100 cents first class ; 1 23-100 cents second; Montreal to Halifax, St. John, 1 97-100 cents first; 1 25-100 cents second. Quebec to St. John, 1 84-100 cents first; 1 23-100 cents second. Quebec to Halifax, 2 07-100 cents first ; 1 38-100 cents second. Regular fares are as follows : Montreal to St. John, $14.15 first; $9.10 second; Montreal to Halifax, $16.50 first; $10.50 second. Quebec to St. John, $10.65 first, and $7.10 second. Quebec to Halifax, $14.00 first ; $9.35 second. On steamship passengers Montreal and Quebec to St. John, 1 01-100 cents first ; 74-100 of a cent second. Montreal to Halifax, 90-100 of a cent first ; 66-100 of a cent second. Quebec to St. John, 1 30-100 cents first ; 95-100 of a cent second. Quebec to Halifax, 1 11-100 cents first ; 81-100 of a cent second. Steamship fares as follows : Montreal and Quebec to Halifax, $7.50 first, and $5.50 second.

PURCHASE OF LIVE STOCK FROM MR. S. L. HEAD, RAPID CITY.

Mr. W. J. ROCHE asked :

1. What number of thorough-bred bulls, heifers and other animals did the government purchase, for the reserves or other purposes, from Mr. S. L. Head, of Rapid City, since July 1st, 1902 ?

2. What was the age, and the price paid for each ?

3. Were they purchased by contract ?

Hon. CLIFFORD SIFTON (Minister of the Interior).

The following stock was purchased from Messrs. S. L. Head & Son, Rapid City, since 1st July, 1902 :

210 heifers, two-years old, delivered at points in Alberta, Northwest Territories, for $28 a head.

25 pure-bred, shorthorn bulls, between two and three years of age, delivered at different points in Manitoba and the Northwest Territories, for $125 each.

4 work oxen, at $80 each.

The above animals were purchased at the prices stated, subject to proper inspection.

WHARF AT COLE'S POINT, N.B.

Mr. DANIEL asked :

What is the total amount expended, to the 1st of May, 1904, in the construction and maintenance of the public wharf at Cole's Point, Dorchester, Westmoreland county, N.B. ?

2. What is the total amount of revenue from the said wharf to the 1st day of May, 1904 ?

Hon. C. S. HYMAN (Acting Minister of Public Works).

1. $27,852.29.

2. No returns received at the Marine and Fisheries Department.

NEW WHARF AT HOPEWELL CAPE, N.B.

Mr. DANIEL asked :

1. What is the total amount expended, to the first of May, 1904, in the construction and maintenance of the upper or new public wharf at Hopewell Cape, in the county of Albert, N.B. ?

2. What was the total amount of revenue from the said wharf to the first day of May, 1904 ?

Hon. C. S. HYMAN (Acting Minister of Public Works).

1. $25,466.25.

2. Fifty-four dollars.

OLD WHARF AT HOPEWELL CAPE, N.B.

Mr. DANIEL asked :

What is the total amount expended, to the first day of May, 1904, in the construction of the old public wharf at Hopewell Cape, county of Albert ?

Hon. C. S. HYMAN (Acting Minister of Public Works).

1. $11,162.24.

ASSISTANCE TO PEAT INDUSTRY.

Mr. TOLTON asked :

1. Have the government decided upon giving any financial assistance to the peat industry, in the form of a bonus or otherwise ?

2. If so, to what extent ?

3. If not, why not ?

Hon. W. S. FIELDING (Minister of Finance). No decision has been come to in that matter.

PIER AT ARISAIG, N.S.

Mr. LANCASTER—by Mr. Taylor—asked:

1. What amount was expended on the repairs to the pier at Arisaig, N.S., from June 30th to the end of the season of 1903, for labour, superintendence and supplies; and to whom paid?

2. What amount was accounted for to the department by the wharfinger, in the fiscal years ending June 30th, 1902, and 1903, and for the past year, to the end of season of 1903?

Hon. C. S. HYMAN (Acting Minister of Public Works).

1. $899.81. Full details of expenditure with names of carpenters, carters, labourers, and parties who supplied materials, can be seen in Auditor General's Report (1902-3), page 166 part V.

2. Total collections for fiscal year ending June 30, 1903.. .. .. $ 75.92
Less commissions.. .. .. 18.98

Received by department.. .. $ 56.94

For the fiscal year ending June 30, 1903. No returns received.

Returns received for past year to December 31, 1903.
Total collections.. .. .. $ 52.57
Less commission and postage.. .. 13.23

Received by department.. .. $ 39.34

HARBOUR MASTER AT MONTAGUE BRIDGE.

Mr. LEFURGEY asked:

1. Was W. Porter harbour master of Montague bridge?

2. Has he been discharged from the service and another appointed in his place?

3. When was he dismissed and when was his successor appointed?

4. Was Mr. Porter dismissed for cause; and if so, what charges were made against him?

Hon. R. PREFONTAINE (Minister of Marine and Fisheries).

1. Yes.

2. Yes.

3. By Order in Council of the 5th May, 1904.

4. The services of Mr. Porter were dispensed with on account of age and inefficiency in the discharge of his duties.

TENDERS FOR LICENSE TO CUT TIMBER ON BERTH No. 1158.

Mr. W. J. ROCHE asked:

1. How many tenders were received by the government for a license to cut timber on Berth No. 1158; and from what parties?

2. What was the bonus offered by each party?

3. Who was the successful tenderer?

Hon. CLIFFORD SIFTON (Minister of the Interior).

1. Three tenders were received—J. W. McIntosh, J. H. Lamont and Samuel McLeod.

2. J. W. McIntosh, $2.100; J. H. Lamont, $2,050; Samuel McLeod, $100.

3. J. W. McIntosh.

FAIR WAGES TO WORKMEN.

Mr. RALPH SMITH asked:

1. What contracts for public works have been entered into by the government which required the contractors to pay their workmen fair wages, in accordance with the fair-wage resolution agreed upon by parliament in the session of 1900?

2. What were the amounts of money covered by these contracts?

Hon. C. S. HYMAN (Acting Minister of Public Works). I will have to ask my hon. friend to move for a return.

G.T.P.—EMPLOYMENT OF ALIENS.

Mr. CLARKE asked:

1. Has the government appointed counsel to conduct the investigation now being held by Judge Winchester, in connection with the employment of American and other foreign engineers on the proposed line of the Grand Trunk Pacific Railway?

2. If so, what is the name of such counsel?

3. Will instructions issue to Judge Winchester and to said counsel to examine 'de novo' the witnesses who were examined in Montreal at the beginning of the investigation?

Hon. C. S. HYMAN (Acting Minister of Public Works):

1. Yes.

2. H. M. Mowat, K.C.

3. The government will adopt whatever steps it deems necessary in order that the inquiry be thorough and complete.

LETTER CARRIERS—TORONTO.

Mr. CLARKE asked:

1. Is the Postmaster General aware that in the city of Toronto certain superior officials of the post office department, in Toronto, are, or have been, canvassing letter carriers who have not taken advantage of the provisions of the Post Office Act, chapter 28, 1902, and amending Act, to induce them to petition the government to further extend the time under which letter carriers or other officials may avail themselves of the provisions of the foregoing named Acts?

2. Is it a fact that since the first of May, 1904, a petition has been presented for signature to Toronto letter carriers or other officials who have not taken advantage of the provisions of the Acts hereinbefore named, praying for an extension of the time for availing themselves of the provisions of said Acts?

3. What is the name or names of the officer or officers canvassing and soliciting such signatures?

4. By whose instructions, or by what authority is such officer or officers making such solicitation or canvass?

5. Is the officer, or are the officers, who have engaged in this work of canvassing or soliciting, officers who come within the class of officials whose salary or salaries may be affected by their taking advantage of the Acts hereinbefore named ?

Hon. C. S. HYMAN (Acting Minister of Public Works) :

1. No.
2. No. The department has no knowledge of any such petition being presented for signature.
3. The department is assured that no officer has canvassed or solicited signatures.
4. The question is irregular in stating that there has been such solicitation or canvass. No instructions or authority of any kind have been given to any one to make such solicitation or canvass.
5. The question is irregular in asserting that officers are engaged in such work.

With general reference to the whole question it may be said that certain letter carriers being badly advised failed to take advantage of the Act in question within the prescribed time and have recently sought the advice of some experienced clerks in the Toronto post office. These clerks being wholly dis-interested themselves, but taking an interest in the welfare of the letter carriers, have, it is said, expressed to the letter carriers asking such advice, that the Act was to the advantage of the letter carriers, and that they, the clerks in question, if in the letter carriers' position, would have gladly availed themselves of its provisions. In this way the department understands some of these letter carriers have reached the conclusion that they made a serious mistake in not coming in under the Act, and are now petitioning, asking for such legislation as will permit of their doing so.

THE DOUKHOBORS.

Mr. WILSON asked :

1. Has Professor James Mavor, of Toronto University, been commissioned to investigate or settle a dispute between the Doukhobors and the Dominion government ?
2. If so, what is the nature of the dispute ?
3. Has Professor Mavor's report been received ?
4. If so, what are its findings ?

Hon. CLIFFORD SIFTON (Minister of Interior) :

1. No.
2. 2, 3 and 4. Answered by No. 1.

INQUIRIES FOR RETURNS.

Mr. T. C. CASGRAIN. Before the Orders of the Day are called, I ask the attention of the Minister of Militia to a return which he brought down the other day in connection with the investigation held into a complaint against one of the officers of the 9th battalion. The report is incomplete in that it does not contain several letters which were referred to in the testimony, and which were produced at the investigation as exhibits 'Q,' 'R,' 'S,' 'T.' I would like the minister to supplement the report by bringing these exhibits down.

Sir FREDERICK BORDEN. I will take the hon. gentleman's statement from 'Hansard,' and have the matter looked into.

CANADIAN FISHERY REGULATIONS.

Mr. GEORGE TAYLOR. Before the Orders of the Day are called, I wish to ask the Minister of Marine and Fisheries, if he has any announceent to make now in reference to the statement I made in the House yesterday ? The letter I referred to then has been published in the newspapers of the United States and it is doing great harm.

Mr. PREFONTAINE. I will give an answer to the hon. gentleman to-morrow.

VENTILATION OF THE CHAMBER.

Mr. GEORGE TAYLOR. May I call your attention, Mr. Speaker, and the attention of the Minister of Public Works to the fact that at the present moment the thermometer in the chamber registers seventy degrees ? When formerly the windows upstairs were open, we could get fresh air and now that the hot weather is coming on, I do not see why arrangements should not be made to keep the windows open. I do not know whether or not it is the intention of the Minister of Public Works to roast us out, but I can remind him that he and his friends will have to take their share of the roasting. These new fan wheels are in operation only when the House is not in session, but with the galleries crowded as to-day and the windows closed, and several hundred little stoves in here heating up the atmosphere, it is simply unbearable.

Hon. C. S. HYMAN (Acting Minister of Pulic Works). I regret exceedingly that we are making it too warm for the opposition, but I will immediately consult the architect of the department to see if it is possible to give relief.

Mr. SPEAKER. Since I have been appealed to, I would like to say that I have frequently called for fresh air with almost as much earnestness as at times I have to call for order, but I regret to say that it is almost as difficult to secure one as the other.

WAYS AND MEANS—THE BUDGET.

House resumed adjourned debate on the proposed motion of Mr. Fielding :

That the Speaker do now leave the chair, for the House to go into committee to consider of the ways and means for raising the supply to be granted to His Majesty.

Rt. Hon. Sir RICHARD CARTWRIGHT (Minister of Trade and Commerce). Mr. Speaker, the hon. gentleman (Mr. Bell) who preceded me in this debate, was good enough to put a number of very explicit questions to me last evening. He was also good enough to introduce sundry quotations from speeches of mine into his own. So far as I could gather they seemed to fit in very badly, but that is a matter of detail. The hon. gentleman's thirst for knowledge is great; the hon. gentleman's need for knowledge is greater still. It will be my endeavour and my pleasure to satisfy the craving of the hon. gentleman. Before I sit down, I trust to be able to furnish him with full information on all matters as to which he has asked information, and likewise to supply him (and possibly some other gentlemen), with a good deal of other information for which he has not asked, but which it is very desirable that he should become acquainted with. In the meantime, I may observe that I have but one quotation to make, and there is but one thing that I desire to know at this moment in particular. If you will do me the honour, Mr. Speaker to refer to 'Hansard' of 1897, page 2177, you will find the following paragraph:

> I consider the argument of the free trader unanswerable. I believe at this moment that if Canada took a liberal step in the direction of free trade, it would go a long way to place her upon the road to the greatest prosperity. The reasons why I consider Canada should turn about and adopt a free trade policy are, (a) that we may free ourselves from the dominating influences of the United States; (b) on account of the failure of the national policy; (c) because of the startling revelations of the census.

I am advised by an hon. friend of mine now sitting in this House, that this particular paragraph is an extract from a newspaper report of a speech delivered in the town of Pictou, in the year 1891 or thereabouts, by a gentleman of the name of Adam Carr Bell.

Mr. Speaker, I am filled with a burning and consuming anxiety to know: (a) Whether the said Adam Carr Bell is a namesake or possibly a godchild of the hon. member for Pictou; (b) whether it is possible that some pestilent Grit may have succeeded in procuring the habilements of the hon. member for Pictou, and have masqueraded before the good citizens of Pictou as the only true, original and reliable old Adam; (c) I desire to know from the hon. member for Pictou who the fellow is anyway, and what he thinks of the statements and sentiments contained in the paragraph which I have just read. The hon. gentleman does not appear disposed to gratify my laudible curiosity.

Mr. BELL. If the hon. gentleman will permit me—I thought he was going on with his speech—I may inform him that he has read a garbled report of a lecture delivered by me upon the subject of speculative free trade, the opening paragraph of which announced that no reference whatever to practical free trade as a policy for Canada would be made. It was a lecture, not a speech, and was given from a strictly academic standpoint. I may say further that I never made a free trade speech in my life on any hustings or in any county. I took part, I am glad to say, in the campaign of 1878 in favour of the protectionist theory, and have supported that view on every occasion on which I have appeared in public from that day to this.

Sir RICHARD CARTWRIGHT. The form of words the hon. gentleman used in the paragraph I have just quoted is singularly open to misconception if he intended it to be regarded as the statement of a purely speculative opinion, but if I have not been further misinformed, the hon. gentleman about the year 1891 was rather coquetting with the Liberals in that country——

Mr. BELL. No.

Sir RICHARD CARTWRIGHT—which may possibly have influenced to some extent his speculative views on the question of free trade.

Sir, I am happy to say that there were several things said by the hon. gentleman last night with which I am able to agree. They were, so to speak, some nuggets picked out of the flood—what shall I call it?—of alluvial matter poured forth by the hon. gentleman. For instance, the hon. gentleman was good enough to state that the present tariff is a great revenue—producing tariff, a statement which I entirely endorse and concur in. The hon. gentleman was further good enough to state that our imports are paid for and limited by our exports—another statement with which under normal conditions and with certain limitations, I entirely agree. In the third place, the hon. gentleman declared that you can easily increase taxes while diminishing revenue—a statement in which I entirely concur. He was likewise good enough to warn us that surpluses are dangerous things—a matter on which, considering the experience of himself and his friends during the three years immediately preceding the year 1896, he was of course well qualified to speak. Lastly I may add I heartily and most unqualifiedly endorse the statement of my hon. friend that after men have been in opposition for a certain period, say six or eight years, they are likely to talk unmitigated rot; and the hon. gentleman not only made the statement but proved it to the hilt. It may be that the hon. gentleman did not entirely see what all these statements and admissions involved; and on that point, before I sit down, I shall have a word or two to say.

But although there were these points of agreement between myself and my hon. friend there were also points of difference

between us. The hon. gentleman said that we increased the taxes. I want to call the hon. gentleman's attention to a little confusion of mind. Taxes and revenue are not the same thing, as he seems to have supposed. We did not increase the taxes; we greatly increased the revenue and greatly reduced the taxes. The effect of the British preference was far-reaching; it was enormously to reduce the rate of taxation in this country, both nominally and still more really. Then, Sir, for the first place as hon. gentlemen opposite now appear to admit, it went a very long way indeed to convert the entire tariff into a revenue tariff. It did Canada a great deal of good indirectly by creating the best possible feeling towards us in the minds of our very best and largest customers, and indeed it may be said in many cases to have secured for us a substantial though not a legal preference in the English market. For myself I have always advocated the preference as being much more in the interest of the Canadian consumer than of the English producer, though I was quite willing to benefit the latter also if the opportunity should occur and I admit frankly I was very sorry that it was found necessary to make any change in it. The hon. gentleman declared that at this present moment all the world was prosperous, and that our prosperity was merely a part of what was being enjoyed all over the world. Sir, I was under the impression that the people of England at this moment were suffering from a rather serious depression. I was under the impression that the Chancellor of the Exchequer had recently found it necessary, in a time of peace, to increase the income tax, and to bring it back almost to the limit of the old and very heavy war tax. I was under the impression that English consols had fallen from 113 or thereabouts before the war to something like 85 within the last few months, about the lowest figure which those great securities have touched in the last 50 years.

The hon. gentleman talked about Germany also. I was under the impression that Germany for two or three years back has been suffering from a very severe commercial depression, from which it is only beginning slowly to recover. He talked of the United States. The merchants and the manufacturers in Canada have been dinging into our ears for some time past that there is great danger of a very severe depression in the United States, and have been begging us to take precautions to guard against such a depression. He might have added that the great commonwealth of Australia has been suffering from a most prolonged drought and other depressing circumstances for an unusually long time. As England, Germany, the United States and Australia are by far the best customers we have $420,000,000 out of our whole trade of $460,000,000 being done with these countries, it does not appear to me that the argument that all the rest of the world with which we have dealings is prosperous fits very well in the mouth of the hon. gentleman at the present time. Sir, the exact reverse is the fact while these great countries have been suffering from serious reverses and depressions, it has been the good fortune of Canada, and Canada alone, to maintain her progress.

The hon. gentleman—and I must take issue with him here—went some distance out of his way to condemn the proposition of my hon. friend the Minister of Finance to issue a commission to investigate the condition of the tariff. The hon. gentleman misapprehended, I think, the statement of the Minister of Finance. What the Minister of Finance had in his mind—and I thought he made it sufficiently clear—was not to relegate the duties and powers of this government to any commission at all, but to appoint, as we did several years ago, a committee of our own number, to visit as many as possible of the cities and towns of Canada and see for ourselves how we could best deal with the industrial conditions of the country. But, Sir, the hon. gentleman is perhaps not very well acquainted with the fiscal history of Canada for the last eight and twenty years. If he had been, it might have occurred to him that the condemnation which he attempted to level at my hon. friend applied with far greater force to those gentlemen who in 1878-1879, when they came into office, did not endeavour to settle the tariff themselves, but employed several paid commissioners sitting in Ottawa many months to draw up a tariff of which the Finance Minister of the day was but the mouthpiece; and I will tell the hon. gentleman this further fact, which he is perhaps not aware of, that that commission, though nominated by the government of the day, was appointed by a certain committee of manufacturers, and that that committee of manufacturers, in one instance at least, paid their deputy for his services a great deal more than the government paid him.

Sir, there was one point slightly alluded to by the hon. gentleman, on which I am disposed to agree. I do not advise the people of this country to count on a continuance of the most remarkable unbroken prosperity which we have enjoyed the past few years. No man in Canada has had better cause to know than I that, as a rule, cycles of good years are succeeded by cycles of bad years. No man knows better that a series of fat years is generally followed by a series of lean years. I can tell my hon. friend also this. I have never contended that the tariff is the sole factor in creating or maintaining prosperity. There are many factors which go to make up national prosperity. You may have a good tariff and a bad land system, and you may have a good land system and a bad tariff. Or you may have both good together, and

yet, by the operation of causes over which you have no control, by being involved, for instance, in war with your neighbours, or by a hundred other conflicting influences which may militate against your prosperity, you may not have such a satisfactory condition of affairs as you would desire. I know also that this country of ours is not very easy to govern. No country probably, under federal rule, is. And I do not pretend to say that you can govern for seven or eight years a country like Canada and give no cause for criticism. Mistakes may be made and may have been made. Experiments may have failed. Faults or follies may have been committed. The government do not pretend to be infallible. It is even conceivable that men who have never sat in cabinets, who have never known what it was to be responsible for the good conduct, administration and development of a country extending from ocean to ocean—it is even conceivable that such gentlemen may at times commit errors, and may say things that they will afterwards have occasion to regret, and commit themselves to policies which they may afterwards find out to be absurd.

Mr. R. L. BORDEN. The hon. gentleman is talking from experience.

Sir RICHARD CARTWRIGHT. No, I am not. I have very little to withdraw, unless indeed it may be that at one time—a long time ago, and probably before the hon. gentleman had much to do with political life—I had certain affiliations and dealings with the Conservative cause. But unless I am entirely mistaken, there was a time when my hon. friend himself was a highly respectable young man, when he taught in the Sunday school, and took the chair for his worthy relative the Minister of Militia (Sir Frederick Borden), and even canvassed the county for him. I agree with my hon. friend from Pictou that this is a proper time for us to take stock, to examine our resources and to see how far we are justified in committing the country to the great undertaking into which the government are proposing to embark. Now, I notice that my hon. friend from Pictou—and therein my hon. friend only did as most hon. gentlemen on the other side do when they rise in this House—did profess great, even extreme delight, at the extreme prosperity of the country. Like the others too, he gave thanks to Providence that he was not as other men—not as those wicked Grits who could never find a good word to say for what—how did he call them?—our illustrious predecessors did who held the reins of power before us. But after having professed his extreme delight in our present financial condition, I notice that, following the example of those other gentlemen, he proceeded to the best of his power to detract, belittle and minimize the prosperity of the country. The truth is, I fear, that the prosperity of the country at this present moment is gall and wormwood to those hon. gentlemen. I did watch their faces attentively, as the hon. gentleman did me the honour to watch mine, when my hon. friend the Minister of Finance was unfolding word by word and step by step every proof, every indication men could well ask for, of the extreme prosperity of this country. And if they were delighted I can only say they are the most admirable experts at concealing their feelings in their countenances I have ever seen. I fear much that the hon. gentleman and his friends are a good deal in the same frame of mind as that in which the habitans of Lower Canada were in the year of grace 1837, when the St. Lawrence would not freeeze, and the government were able to make use of that great river to transport their troops from point to point. Le bon Dieu, they said, n'est pas un bon patriot. I am inclined to believe that in like manner every hon. gentleman opposite, if he spoke the truth, would say: it is very hard of Providence to be so kind to these demoralizing Grits. The adjective that they usually couple with the substantive Grit is, I think, somewhat shorter and stronger and less parliamentary than the one I use, but nevertheless I think that my expression, 'demoralizing' perhaps describes the whole situation a little the better.

The hon. gentleman took me severely to task because, as he said, while he was calling my attention to certain things, which I ought to have laid seriously to heart, I was smiling. Sir, the impeachment is true. I was smiling. Certain recollections had occurred to my mind, and I shall tell him what they were. I remembered two remarks made by two very eminent men with whom I was formerly acquainted, which, I think, were admirably descriptive of Conservative feeling and methods; and when the hon. gentleman was 'rooting and routing,' to use a Scotch phrase, among our surpluses, and proving to his own satisfaction that it was a great iniquity for us to have $57,000,000 surpluses when they had none, I could not but recollect the remark made by the late lamented Jos. Rymal namely, that he would rather meet a she-bear robbed of her whelps than a Conservative out of office. There also occurred to my mind, when my hon. friend was lamenting the enormous amount of surpluses going into such unworthy hands, another remark made by the late lamented Sir John Macdonald on a certain occasion when, addressing an appreciative audience, he likened himself to a boy who was throwing down acorns, and in his own picturesque language observed to his hearers that if they wished to save their bacon they must divvy up and share the acorns. Sir, I can well understand how the sight of my hon. friends' surpluses and the spectacle of those golden acorns rolling on

the ground—and none for them—must have harrowed the minds of hon. gentlemen opposite. And then to see them garnered into the public treasury instead of being generously distributed among the faithful. It was not what they were used to—and they felt it.

The hon. gentleman's mode of arithmetic is simple and in a certain sense effective. I listened attentively to his review of the financial position, and I can say this for him, that the rule he applies certainly saves a great deal of trouble. It is a simple rule. You have only to debit everything and credit nothing and report the result. The hon. gentleman's argument matched his arithmetic. His criticism was a belated criticism. It might have been pertinent—ten, twenty or even thirty years ago. But it is liable to this grave objection, that it ignores the most patent facts, it ignores the complete change of conditions. Sir, I have to tell the hon. gentleman that Canada to-day in 1904 is further apart from Canada as we found it in 1896 than the Canada of 1896 was from the Canada of 1866. And that is no idle rhetorical flourish. Sir the growth of the last eight years, in many ways far exceeds the growth of the thirty years preceding.

Now, Mr. Speaker, there are, to my mind three great indicia by which to judge the prosperity of a country like Canada. All others are relatively insignificant—I do not pretend to say they are not of importance in their way, but, in my judgment, they shrink into insignificance beside these three. The first of these indicia is: How rapidly is the population, occupation of new and large areas of land advancing in the country. Next, what is the growth of the volume of trade? Next, what is the growth of the revenue of the country? I will add a fourth, which applies more particularly to my own province of Ontario? What is the condition of the farmers? What is the condition of the agricultural class? How many chattel mortgages remain on their farms? How many mortgages have been paid off? How as to the value of their lands? Still more important: How as to the saleability of their lands? The question I put to hon. gentlemen on both sides of the House is this: Were the farmers of Canada ever, within the memory of living man—at least, since the Crimean war—as prosperous as they are to-day?

Now, I will proceed to analyse each of these indicia to which I have referred. I will take, first, the population. Here—and it is one of the few points on which we differ—here, I do differ, I differ very considerably, from some of the calculations submitted by my hon. friend the Minister of Finance (Mr. Fielding). He erred, it is true, on the right side. In his position, it is better, if he errs at all, to err on that side. But he has under-estimated, I think considerably, even seriously, the growth of population in Canada since 1896. I have here a rather curious and interesting statement which hon. gentlemen will find on page 450 of the first volume of the census of Canada of 1901. That statement gives in detail, not merely the number of immigrants, but the date on which the immigrants came to Canada and settled in Canada. And it is a curious and most significant fact that the number of immigrants who settled in Canada, and have remained here, in the last half of the decade included in the census, that is from 1896 to 1901, were nearly 100,000 more than those who came to and remained in Canada in the first half or the decade, or from 1891 to 1896. The precise actual facts are that in the decade from 1891-1901 234,000 immigrants came to Canada and remained there. Of these about 160,000 came in the latter half from 1896 to 1901 and 74,000 in the first half from 1891-1896. Sir, that is a pregnant and significant fact. It proves, in the first place, one thing to which I have called attention in this House more than once, and that is that, since this government came into power, the population of Canada has increased in ratio altogether greater than it did in the five, or even fifteen, years before. It proves another thing; it proves that the report of my hon. friend the Minister of the Interior (Mr. Sifton) as to the number of immigrants who have settled in Canada during that time was almost literally and absolutely correct. And it proves, by inference I think, this—that if you are able to bring 100,000 more immigrants into the country, and keep them there, during the last half of the decade than during the first half, there is the strongest presumption that you have, at the same time, been able to retain in Canada your own people who, in former times, were leaving the country in such numbers. The self-same causes that enabled you, as I have said, to keep 100,000 more immigrants in Canada, contributed most powerfully to prevent any great exodus from Canada during those five years. There are other matters in connection with this table to which, on another occasion, I may refer, matters of importance, matters of interest. But I have a word or two to say in that connection with respect to the other matter of which I spoke, and that is the enormous area of new land and territory which, within the last few years, has been brought into cultivation or into occupation. But, first, let me call attention to the fact that, in the three years that have just elapsed, the years 1901, 1902 and 1903, we have brought into Canada, and, there is every reason to believe we have settled in Canada, and retained in Canada, 244,892 immigrants. Sir, I am not blind to the fact that quantity is not everything. I am happy to be able to inform the House —and that is a point on which also I shall

have something to say later on—that the quality of these immigrants is equal to the quantity, and Canada may congratulate herself, not only on having the largest immigration she has ever known, but by far the best immigration, composed of the best class, composed of the wealthiest class, we have ever seen come into Canada. As to area being occupied and likely to be brought under cultivation—another matter to which I attach great importance—hon. gentlemen will see that, in the three years referred to, 64,005 homesteads were taken up, equal to an acreage of 10,240,000 acres. There were sales made by various corporations during the same three years of 7,051,833 acres, without counting the large amount known to have been purchased from private parties. This means that over 17,250,000 acres, mostly new and virgin land, have passed from the control of the companies or of the Crown into the hands of actual settlers. I would like the House to consider what that means, and what justification it affords for what might otherwise be considered the too roseate views which gentlemen on this side of the House have expressed as to the future of Canada. I find that by the last census the total amount of occupied land in the great province of Ontario was very little over 21,000,000 acres, and of that, less than 14,000,000 were improved. So that, practically speaking, we have, within the last three years, added to the available area of Canada an extent of land equal, and more than equal to the whole cultivated area of the great province of Ontario. Sir, I say these are most pregnant facts. And, if you will compare the influx of immigrants and the magnitude of the sales which have been made in the period from 1896 down to the present time, with the actual results of homesteads that were taken up and of the sales that were made during the period from 1885 to 1895 then, those who choose to study the history of this country with something like a pretense to fairness will understand why it was that we who then sat on the other side of the House found little to admire or commend, found little ground to talk of the prosperity of Canada in those days.

Sir, I say again these are most pregnant facts and although I shall have more to say on the point of policy hereafter, still at the same time the mere circumstance that we have been able, as this return shows, to keep in Canada with scarcely an exception the immigrants that were brought there during the last half decade, is a very conclusive evidence of the soundness of the policy we are now pursuing and of the great results that may be expected to accrue from it. I have looked into this matter with some care. I believe that the exodus, if not completely stopped is at any rate balanced by the number of repatriated Canadians returning to Canada year after year. I have not the slightest doubt in my own mind that taking the average of the last seven or eight years, partly owing to the cessation of the exodus, partly owing to the large number of immigrants who have been brought in, the average up to this year of 1904 will, in all human probability equal an increase of 150,000. Some years it may be less, some years it may be more, but on the whole eight years I believe on the present calculation that our present population is fully up to 6,000,000 or at any rate will be by the conclusion of the current year. Further than that, we have effectually wiped away the disgrace that the best and the flower of our population were leaving us to seek their homes in a foreign land.

Now Sir, as to the increase of trade,—and here I ask pardon of my friends because owing to the lines taken up by the hon. gentleman who preceded me (Mr. Bell). I must go over ground already traversed by my hon. friend (Mr. Fielding). In seven years I said that the growth of trade of Canada had increased more than double what it had increased in the thirty years before ; it is a mere matter of arithmetic. In the interval between 1866 and 1896 a period of 30 years, the growth of trade was a little over $100,000,000, if indeed it was over that at all. In the interval between 1896 and 1904 is well up to $220,000,000, being, as I said more than twice as much as the total growth in the 30 years before that interval. Some of the hon. gentlemen opposite take a different view from myself on this question of exports and imports. I for my part am of the opinion that it is highly desirable that the imports of a country should balance or thereabouts with its exports, and I am not frightened if the imports should occasionally exceed the exports. In my judgment the fact that the imports and exports are very close together is not a proof that we have been losing but rather a proof that the people of Canada are getting good value for their money, rather a proof that trade is in a wholesome condition than anything else. But for the benefit of these hon. gentlemen, of whom I dare say there are some, who may conscientiously believe that it is a matter of the greatest importance to the country that the exports should exceed the imports, I desire to present this table of figures. I have here a table of the total imports into Canada and the total exports from Canada during the seven years beginning on the 30th of June, 1890, and ending on the 30th of June, 1896. Sir, deducting settlers' effects which cost us nothing as you know, we imported in round numbers $834,469,000 in seven years.

We exported during the same time goods to the value of $779,871,000.

That Sir, was under the national policy, under a highly protective policy.

In the seven years from 1897 to 1903, both included we imported, less settlers' effects, $1,230,000,000 of gross imports.

We exported during the same time $1,286,000,000.

In other words under the last seven years of the national policy our imports exceeded our exports by over $50,000,000. Under the seven years of our policy our exports exceeded our imports by an equal sum. Personally I do not attach any great importance to that but as some hon. gentlemen opposite appear to do so, it is well that they should be made acquainted with the actual state of the case.

Now Sir, I come to an interesting point, a doubly interesting point, inasmuch as on it depends, to a very considerable extent, the justification of this government for proposing to you to engage in an enterprise that may well be supposed to tax the utmost resources of this country I refer to the growth of revenue. The growth of our revenue during the past seven years has been far greater than it appears on the surface. Sir, the gross revenue is but an imperfect test. An increase in gross revenue may very well coincide with a loss of net revenue. The true test that I propose to apply is the growth of the net revenue in the last seven years. How stands the account to-day ? It is a curious and instructive statement and for reasons which will presently appear, in order to make it more complete and perfect, I have gone back to the year 1871.

In 1871 the gross revenue of Canada was $19,335,000, and what may be called the fixed charges, the charges for interest of debt, the subsidies to provinces, the sinking funds and collection of revenue, amounted to $11,012,000 leaving a net revenue in 1871 of $8,322,000 in round numbers. The exact figures are as follows :

Total revenue for 1871....	$19,335,000
Interest on debt....	5,591,959
Subsidies to provinces....	2,624,949
Sinking Fund....	421,666
Collection of revenue....	2,374,114
Fixed charges....	$11,012,688

In 1896 our gross revenue had increased to $36,616,000, and our fixed charges of the same sort as those to which I have alluded had increased to $26,333,000, without taking into account payments to Indians, which are chiefly a treaty obligation, and called for $880,000 more.

In the 25 years from 1871 to 1896, therefore, the total net revenue of Canada, beginning at $8,322,000 had merely increased $1,000,000 to $9,405,000.

Sir, how stands the case to-day ? In 1903 the gross revenue of Canada had grown to $66,037,000 ; the charges of a fixed character amounted, included payments to Indians, to $33,400,000 in round numbers.

In other words we had a net revenue of $32,000,000 in 1903 as against a net revenue of $9,400,000 in 1896.

The gain in our net revenue in those seven years amounted to $23,000,000.

It is true our expenses had increased. Our gross expenses has increased $14,000,000. Our gross revenue had increased $30,000,000. Our net expenses, to which I shall come presently had increased $7,000,000 and our net revenue $23,000,000.

The hon. gentleman appears to think that all this is blameable. It may be or it may not be. The hon. gentleman quoted speeches of mine quoted speeches of the late Hon. Mr. Mills, quoted speeches of the Minister of Customs (Mr. Paterson) and divers others, and he appeared to think that the fact that in 1896 we considered that it was expedient to retrench and practice economy was sufficient reason to condemn the expenditure now made without entering into any comparison or inquiry as to why the expenditure was incurred. I have to tell these hon. gentlemen that if, which God forbid, Canada should fall back into the slough from which we rescued her, the slough of stagnation, of depopulation, of disgrace and disohonur, if the time should come when you see the people of Canada leaving her by the million, when you see afterwards the immigrants who come to our shores leaving her by the million, when you find that it is doubtful if the increase in the population of Canada amounts to one-half of one per cent, and that in a country well able to support 50 or 100 millions, when that state of things returns, then I will say to these hon. gentlemen that they will be justified in quoting the speeches that we made under such a condition of things and saying that it is our bounden duty to exercise the strictest economy. I have several questions to ask these hon. gentlemen and I have several questions to ask the people of Canada in respect to this expenditure. First of all I have to ask : Is the expenditure justified ? Is it out of proportion to the increase in the wealth and population of the country ? Has it caused extravagance ? Has it produced undue taxation ? Why, Sir, these hon. gentlemen, during the seven years they sat opposite to us, have never that I can recollect, moved to reduce one single item of taxation that we have imposed on the people of Canada. They have done nothing more, it seems to me, than clamour to put more taxes on. Let us consider how much of this expenditure is justified by the growth of Canada, how much is justified by the increased cost of wages and material and how much of it is directly profitable. First of all, I would like to clear the deck. I would like to settle how much the government is really answerable for in this matter. I have here a statement of the receipts and expenditures in 1896 and a statement of the receipts and expenditures in the year of grace, 1903. I say, Sir, that

if you choose to deduct the cross entries which do not cost the people of Canada one penny, and which can merely be regarded as a matter of book-keeping you will find that the total result is that there is an increase in the expenditure not of $14,000,000, but of $7,000,000, for whch I shall be prepared to render account. The whole expenditure on the Yukon of $1,500,000 is defrayed and well defrayed by the additional receipts which we obtained from that territory and will not cost the people of older Canada at any rate, one cent. Nor was that an expenditure for which there was any equivalent in 1896. The expenditure for railways and canals and collections on public works, amounted in 1896 to a total of $3,594,000. To-day we have to pay $3,750,000 more but we have received on the other hand, an additional revenue of $3,500,000, the difference being due to the fact that we have made our canals free and no revenue is received any longer from that quarter. We spend on the post office $440,000 more than we spent in 1896. We receive from the post office $1,430,000 more than we received in 1896.

Mr. CLANCY. By increased postage.

Sir RICHARD CARTWRIGHT. By increased postage? By increased postage! By increased postage! I do not know what kind of business my hon. friend (Mr. Clancy) who interrupted me carries on, but if he pays increased postage he is an exception, to everybody else in Canada. For sinking fund, which is really in all conscience a cross entry, we paid $565,000 more in 1903 than we did in 1896 and we receive from interest on our investments $650,000 more. Our customs cost us no doubt $335,000 more than they did, but our revenue from customs has increased by about $17,500,000. In miscellaneous items of various kinds we expend $700,000 more and we get very much nearer to a million than $700,000 more in return. If hon. gentlemen opposite will do me the favour to add these together—

An hon. MEMBER. It is not worth while.

Sir RICHARD CARTWRIGHT. I am quite sure hon. gentlemen opposite do not want to do it, but I am glad that I am able to bring these facts to their notice, because they will never from reading their newspapers, or from listening to their leaders have the slightest chance of realizing what they mean. Our cross entries amount to $7,290,000 on the debit side and $7,780,000 and more—if I choose to take a strict account—on the credit side. There remains $7,000,000 to be accounted for. I am prepared not merely to endure, but to invite the strictest criticism from these hon. gentlemen as to the way in which we have laid out these seven additional millions. How has it been done? Half a million has been expended as these records show, in the increased expenditure for immigration another half million more and the cognate services of agriculture and quarantine. Half a million has gone to improve the lighthouse service in the St. Lawrence so as to make that great channel of commerce safer and more commodious than it has hitherto been. Half a million has gone—and it never could have been better spent—to provide the people of the Northwest Territories, into which about 400,000 people have gone within the last four or five years, with proper facilities for carrying on the government in a reasonable and fair manner. All these are not merely justifiable, but they are highly productive expenditures. I take first of all the sums spent for immigration. You will add to that sum the expenditure for additional government in the Northwest Territories. We have been repaid ten fold: I venture to say that we have been repaid one hundred fold for all the additional expenditure which is incurred by my hon. friend the Minister of the Interior (Mr. Sifton) or by the government at large for either of these particular purposes. Take settlers' effects for the last five years, mere settlers' effects which are to all intents and purposes a free gift to the people of Canada. Settlers' effects in these five years were received as follows:—

Year.	Value.
1899	$2,800,000
1900	3,065,000
1901	3,740,000
1902	4,580,000
1903	6,442,000

Being a total roughly of some $20,000,000 of a free gift to the people of Canada in the shape of settlers' effects, brought in by the people for whom we have been expending this trifling sum, and mark you that amount is probably not one-fifth of the capital which these people are bringing into this country. One of the most hopeful features of the present immigration is that it is very largely composed of people well to do in their own country, who not merely bring in settlers' effects, but a large amount of capital to promote the settlement and development of our country. But, that is a trifle. What of the immigrants themselves? What cash value will the honourable House put on the annual addition to our population of 100,000 immigrants? What annual addition to our income would it represent? What does it mean if we get 500,000 settlers and most of these of the very best class? It is indeed particularly interesting when you consider the class of immigrants which is now going into the United States to examine the returns of my hon. friend the Minister of the Interior in respect to the nationality of the men who are now settling in Canada.

I have not time to go through them as fully as I would wish, but I will take simply this last year in which 128,000 immigrants were settled in Canada. Of these 128,000, there

came from Great Britain 41,000, from the United States 49,000 ; about 10,000 from the Scandinavian countries, from Germany and from France and from Belgium ; first-class immigrants all of them. Out of that 128,000 over 100,000 were immigrants from countries of the highest standing in the world. How does that compare with the immigration now pouring into the United States ? I have here the Statesman's Year-book for 1904, and I see that while eighty per cent at least of the immigrants coming into Canada belong to the northern races, the best races of Europe ; of this total of 850,000 immigrants to the United States last year scarcely more than 180,000 or twenty per cent came from the British Isles, Germany, Sweden, Norway, and other countries I have spoken of. We get eighty per cent of immigrants of the first-class, and our friends on the other side of the border are receiving about twenty per cent of an equally valuable class of immigrants. I may add further—and having reference to the value of these immigrants it is a matter of first-rate importance—that the returns which I have also here, go to show that an enormous proportion of these immigrants which we get ; for more than the average proportion in an ordinary country, are able bodied young men or abled bodied young women. That is the true way to increase the wealth of this country. If you can put 100,000 such families in the Northwest ; if you can give them lands ; if you can provide the facilities for transport, it is almost impossible to estimate how much you will add to the national income, and how much you will add to the volume of trade, domestic as well as foreign.

The wheel has revolved. We are getting back to-day what we lost in the eighteen years from 1878 to 1896 ; we are getting back what we lost and we are keeping what we get.

Now, Sir, I am about to enter on a matter which I fear will not altogether please my hon. friends opposite, and yet it is necessary to discuss it. I want to compare the number of immigrants who are coming in now and who are staying in Canada (as we have the best grounds for believing) I want to compare them with the results of the immigration between 1880 and 1890. Between 1880 and 1890, according to the reports of these gentlemen opposite, we brought into Canada 886,000 immigrants all told :

Year.	No. of Immigrants.
1881	47,000
1882	112,000
1883	133,000
1884	103,000
1885	79,000
1886	60,000
1887	84,000
1888	88,000
1889	91,000
1890	75,000

Sir RICHARD CARTWRIGHT.

That is the statement made and constantly repeated through several volumes of our predecessors' records, and they are careful to distinguish between the immigrants who declare their intention to settle in Canada and the large number of immigrants who were passengers for the United States. In all reason and conscience our natural increase during the ten years from 1880 to 1890, ought to have amounted to a million of souls, I will accept—accept for the moment only—that most fraudulent census of 1891, as to which I shall have a word or two to say presently. But I accept that, mind you, for arguments sake alone. That census claimed that the population of Canada had increased between 1880 and 1890, to the extent of 500,000. It is very doubtful if the population of Canada increased in these ten years by 300,000, but I give them the benefit of the doubt, and as you see I can well afford it. On their own showing, if they gained 500,000 people in these ten years, they lost 1,386,000. They brought in 886,000 immigrants ; they had a natural increase of 1,000,000 to account for; and where did these immigrants go ? Instead of showing an increase of 1,886,000, all they could show was an increase of 500,000 ; a loss on their own showing of 1,386,000. Where did they go ? Of these immigrants 700,000 are not accounted for. There is scarcely 140,000 of these immigrants who came in during that decade to be found in Canada. Even making all allowance for a large death rate, is is clear we lost 700,000 of these 886,000. They came—I was inclined at one time to the impressison that they did not come and that this was a purely bogus statement. I am now inclined to withdraw that. They came, they saw, they departed. It was Cæsar's case with a difference : Veni, Vidi, fugi. And our own population—and this is a matter of far greater importance in my eyes—where did they go ? Go seek for them in Boston, in Buffalo, in Chicago, in Dakota, Minnesota and Michigan. Look at the United States census returns and you will see that 440,000 were lost to Canada in those ten years. The actual facts are as follows : In the 30 years from 1870 to 1900 our losses were :

In the decade from 1870-1880	347,059
" " 1880-1890	443,070
" " 1890-1900 (mostly from 1890-1897)	445,551
In all	1,235,680

By United States census of 1900 it appears that there were at that date in the United States :

Born of Canadian parents on both sides	522,301
Born of Canadian fathers	425,617
Born of Canadian mothers	344,470

I beg to point out to the House, that I take not merely the increases recorded, but I make allowance for loss by death which it is necessary to replace in order to keep up

the number that the United States census show——

Mr. CLANCY. The hon. gentleman is himself entitled to the full credit for the whole of that.

Sir RICHARD CARTWRIGHT. I am entitled for the credit of it? Sir, I did not govern Canada during that period. To their great loss, the people of Canada threw out an honest and capable government of which Alexander Mackenzie was Prime Minister, and I grieve to say, I deeply grieve to say, that this is part of the price they had to pay for their folly. Remember, Sir, that those we lost were the flower of our people; we gave gold and we gained brass. Let these gentlemen opposite quibble and evade and prevaricate as they will, these facts are published in their own census returns; they are verified by the census returns of the United States, and they are confirmed from point to point by the last census of Canada. And, Sir, under those circumstances I am told that there are some who want to go back to these times, that there are even on the Liberal side some who are found to praise that policy and to call the men under whose guidance these things took place, statesmen worthy of applause. I point to one damning fact which of itself alone ought to be sufficient to convince the most incredulous. In 1896, ten years after that Canadian Pacific Railway was built and finished, the total number of homestead entries (abating cancelments) were 1,300 in that year—that was not a single case for they had been going down from year to year—and in 1903 the total number of homestead entries was not 1,300 but 31,000.

Under these circumstances these hon. gentlemen have the audacity to complain because I said that the country was being bled white. No truer words were ever put on paper, Sir. Do the hon. gentlemen know that during the thirty years from 1870 to 1900, Canada lost one million and a quarter of her people? The facts are there; they are in the United States returns, verified by our own returns; and you must add to that, if you want to ascertain the true loss, this fact, that the United States returns show that over and above the 1,181,000 Canadians found in that country at the time of their census, there were 522,000 who were described as having been born of Canadian parents on both sides, more than 400,000 who claimed a Canadian father, and nearly as many besides who claimed a Canadian mother. I am sorry that these things are true; it is an unfortunate showing; but there is no use of disguising the fact. And here I may call attention to a circumstance —and it is the one good thing that emerges from all these deplorable facts—which shows that the alarm expressed in some quarters as to the diminution of the birth-rate is somewhat uncalled for. How could the birth-rate be kept up while we were losing every year about 50,000 of our most vigorous population? But now I have no doubt, as I have said before, that the ladies of Canada will be equal to the occasion and will do their duty by their country. These are no idle guesses. I am speaking of accomplished facts in referring to what happened in the eighteen years from 1878 to 1896, and I have under my hand the record of what has occurred in the last seven years.

But, to return to our expenditures. I suppose nobody will dispute that an expenditure of half a million for lighthouses is a useful and productive expenditure. We are spending, it is true, $1,000,000 more per year in 1903 than we did in 1896, when the service was starved to the bone, for militia purposes. Well, Sir, if we can afford the money, we have a right to spend it. It only amounts to 33 cents per head on a population of 6,000,000 for the defence of our country, and I do hon. gentlemen opposite the justice to say that up to the present time they have never raised a voice against that expenditure. I claim that another million is the very least that can be allowed as due to the increase of population. I come to the item of $3,000,000 for public works. Here if anywhere there is ground for attack. I am not prepared to deny that the government may have been a little too generous to their friends, and to their opponents also; because a considerable amount has been spent on public works in the constituencies of our opponents, although very little of that was done when I was in opposition. I admit that there is a danger in a large surplus I admit that the government may have been a little too generous, and their friends may have been a little too exacting in their demands, but, after all, there was a fair ground for increase in these cases. In part this is capital expenditure. It is not fair to compare the expenditure of 1896 in that respect with the expenditure of 1903. Every one knows that the expenditure of 1896 was put far below the average of the last preceding half a dozen years. Every one knows that it was reduced to a point at which it was impossible to maintain the public services efficiently. I find that from 1890-1896 the average expenditure on public works amounted to $2,250,000. The expenditure of $4,000,000 to-day is very little more in proportion. I am fairly entitled to add 25 per cent for the increased cost of labour and materials. Any man who has gone into building operations within the last three or four years knows that I rather underestimate than overestimate the increased cost from those causes. Then, if you add $1,000,000 for the increase of population, the result gives you $4,000,000 exactly; so that

it is literally true that taking into account the increased cost of labour and materials, and the increase of population, we are spending no more than was spent in proportion during the half dozen years before 1896. It is well to point out that our net income has nearly quadrupled in that interval. I may add that this expenditure differs from most other expenditures, because it does not involve an addition to our fixed charges, and is capable, if need be, of being largely reduced; and if I may venture a caution to my colleagues, I would say that it is well that this expenditure should be kept within reasonable bounds.

Now, I want to apply the per capita test. I take the expenditure, less cross entries, for 1895 and for 1903 and the expenditure for 1896 and 1903. For reasons which I will enter into more fully shortly, I believe that the difference in population between 1895-1896 and 1903-1904 amounts to fully 1,200,000. I believe that our real population did not exceed 4,800,000 in 1896, and that our present population is now quite up to 6,000,000. I am not particularly careful about this matter, but such as it is, I will give the results. In 1895 (deducting the $7,000,000 of cross entries above referred to) the government of the day expended about $38,000,000. We expended in 1903 about $44,000,000. This would give $7.92 per head in 1895 as against $7.33 per head in 1903. A similar calculation would give $7.70 per head in 1896 as against $7.33 in 1903. I say I do not attach very much importance to this, but if hon. gentlemen want to go into these minute details, we have our answer ready for them.

I will take a larger side of the question—the debt per family; and here again I think the Minister of Finance was a little too generous to his opponents. When we came into office we found these hon. gentlemen engaged in many costly public works which they had not completed. There were many railway subsidies to be paid, large sums to be expended to complete the canals, and a variety of public works had been undertaken which would involve a large increase in the public debt. Of these matters my hon. friend took no note, although they account for a large part of the surplus which we accumulated. But, throwing all this away, I will assume that the debt was $258,000,000 in 1896, and that the debt is $258,000,000 or thereabouts at the present time.

How stands it, Sir? Well, on the percentage of population as I gave it, of 4,800,000 for 1896, we would have a charge of about $270 per family for their share of the national debt in that year. In this present year of grace, 1904, the charge per family could not well exceed, if my hon. friend's calculations are correct, a matter of $215 or $216. The net debt per family is, therefore, about $50 or more less to-day than it was in 1896. I am sorry to perceive that hon. gentlemen opposite do not like these statistics, but that perhaps is to be expected. We know that a certain personage does not like holy water; and it would require, I fear, very strong exorcism—and judging from those empty benches opposite, I must have been applying it—to dislodge the demons of ignorance, prejudice, envy, hatred, malice and all uncharitableness which swell the souls of those hon. gentlemen when they look on the achievements of this most virtuous and discreet of governments.

I wish to say now a word or two regarding this same census of 1891. Bit by bit, degree by degree, as the progress of the investigation goes on, proofs of fraud and recklessness and of the most intolerable stupidity and carelessness in the compiling of that census are accumulating and are evident throughout. Not merely was it cooked as to population, but most atrociously as to industrial statistics. I was unable, the last time I spoke on the subject, because the investigation had not gone far enough, to give the details now in my possession as regards some of the industrial statements therein. But I can give some of them now. First we will take—and a curious illustration it is—the condition of the carpet factories, or, as they are called in the volume I have in my hand, 'industrial establishments for the manufacture of carpets.' Sir, of these there were in 1881, according to the census of that year, 11 in Canada. In 1891, according to the volume I have in my hand, those 11 had grown and flourished and expanded to 557—an absolutely abnormal growth. It may interest the House to know how these were worked and managed, how this great result was achieved. Time will not permit me to go over them all, but I will take, out of compliment to my hon. friend the leader of the opposition—who, I am sorry, is not here—the province of Nova Scotia. In Nova Scotia in 1891 there was a total of 106 industrial establishments for the manufacture of carpets. The working capital of these 106 amounted to $833, being an average of $8.25 a head. To do the census enumerators justice, they seemed to have taken pains. The total amount paid in wages, the total value of the raw material, the total value of the articles produced, the amount of fixed capital in land, are all given. The amount of fixed capital in land reached the sum of $570. The wages amounted to $7,355, which would give $70 a year in wages paid by each, being an average of about $1.25 per week. I am proud to say that Nova Scotia is pre-eminent in this industry, although some of the other provinces run it close. Ontario, which is usually an extravagant province, had 344 industrial establishments for the manufacture of carpets, and it absolutely required $114,000 of working capital, being at the rate of $300 per factory. But when we come to our thrifty friends of the maritime provinces, we get

a much better result. In Prince Edward Island there were 25 industrial establishments of this sort run by 3 men and 22 old women, giving an annual return of $2,000 among the 25, being at the rate of $80 per year. Do hon. gentlemen want more details, because if they do I can give them ?

Some hon. MEMBERS. Go on.

Sir RICHARD CARTWRIGHT. Very well, I am always ready to oblige. Going a little further—and mind you, these are but sample bricks—I find that the industrial establishments for weaving in Canada amounted, in 1891, to 2,085. The total working capital is put down at $67,000, being an average of $33 per industrial establishment. These were manned by 409 men, 1,916 women and about 120 boys and girls. Carrying out the doctrine of average so dear to my hon. friends, it would seem that the 2,085 establishments may have employed each about one and a quarter man, or woman, or boy, as the case may be. But to prevent any jealousy, I may say that while Nova Scotia undoubtedly carries off the palm in the matter of industrial establishments for the manufacture of carpets, New Brunswick is equally distinguished in industrial establishments for weaving. New Brunswick had 371 industrial establishments for weaving. and—just think of the frugality of my hon. friends in New Brunswick—the working capital they required amounted to a total of $189, being at the rate of 50 cents per establishment. And these 371 industrial establishments, according to this same veracious volume, distributed $14,500 in wages, being an average, as nearly as I can roughly calculate, of about $38 per year, or 75 cents per week for each. That is not all by any means. It has a most pleasant feature, to which I call the attention of the House. Here you have an absolutely unparalleled industrial expansion, such as I have never seen, or heard, or read of—and my studies of statistics have been prolonged for many years—and yet there is absolutely no friction between capital and labour. I am proud to say that there was a complete absence of strikes, unless, indeed, it be paralytic strikes which, considering the fact that most of these establishments were operated by ancient ladies well stricken in years, is not much to be wondered at. As to any agitation for greater wages or shorter hours of labour, the thing was absolutely unknown. Employers and employed were not merely united, but it is literally true that they were a unit in the great majority of these 'industrial institutions.' Now, I do not know who conducts the campaign literature on the other side. But if it is my hon. friend from Leeds (Mr. Taylor), I have a mind to make him a sporting offer. Here is magnificent material for a campaign document. Sir, it would require a much less ingenious gentleman than my hon. friend from Leeds (Mr. Taylor) or my hon. friend from Lennox (Mr. Wilson) to construct such head lines as 'Rise and Decline of the Carpet Weaving Industry,' showing how that industry had expanded under the Conservative rule from a miserable 11 establishments in 1881, to 557 in 1891. And, Sir—this is a further detail not yet in possession of the House, which I feel it my duty to give—you have the further fact that under the baleful influence of the Liberal administration, and, I suppose, of a British preference. 550 industrial establishments for carpet making shrinking to 10 in 1901. It is true that the 10 appear to produce a great deal more than the 557 did, but that is a mere detail quite unworthy of the hon. gentleman's notice. Now, my offer is this : I think a most admirable campaign document, illustrative of the great effects of the national policy, could be produced. If my hon. friend will give me bonds that he will pay for the printing and see to the distribution, why, Sir, I will write it myself.

Mr. CLANCY. And will the right hon. gentleman send it out under his own frank?

Sir RICHARD CARTWRIGHT. I was about to say that I will arrange with the Postmaster General, if it cannot be all distributed during the session I will frank it. On a former occasion I pointed out to the House—and laid a considerable number of documents on the table in proof of my assertion—that this census of 1891 had been conducted with such remarkable energy that the census enumerators in twenty-one counties in the province of Quebec had discovered in March in two months 40,000 more people than the parochial authorities had been able to find in January. So, you have here the great triumphs of the national policy—557 industrial establishments created out of 11, and done it so cheaply too ; and, next the discovery of 40,000 people who had not been known to exist before. But, that is not all ; there is a greater feat in store behind. In the course of my examination, and my hon. friend's examination, of the census we discovered that we had not at all appreciated sufficiently the energy and ability with which the census of 1891 had been conducted. It gives me pleasure, Sir, to give to the House certain details. If my hon. friends opposite will condescend to look at the first volume of the census of 1891, they will find that the total average of each country is given. If they will go to the second volume which I have here, they will find the number of acres occupied in each county also given in detail. Sir, the results are very remarkable. Having added 40,000 people to the population of Lower Canada, I suppose it occurred to them that it would be only right to provide the 40,000 with a local habitation. And this is the way they appear to have done it :—According to the first volume of the census the county of Bagot contained 214,840 acres. But, in the second volume we find that the thrifty inhabitants of Bagot occupy 247,654 acres—and the details are given at great

length, so much in garden and so much in farm, so much in pasture land and so on. Hon. gentlemen opposite seem to dispute the facts. Here are the details set out in full. I give them Bagot as an illustration. As I have said, Bagot according to the surveyor's account contained 214,840 acres. But, according to the census enumerators' account, which gives total occupied in crop, total in pasture, total in wood and forest, and total in orchard, the areas of occupied land were 247,645—that is 191,000 improved ; 132,000 under crop, 57,000 in pasture, 56,000 in wood and forest and 1,700 in orchard and garden. And so it went on. Beauharnois, according to the surveyors had a total area of 89,280 acres and this was converted into 114,564 ; Chambly had 87,319 acres, converted into 101,105; Chateauguay had 159,840, increased to 174,216 ; Deux Montagnes had 165,187 acres, expanded into 183,402 ; Hochelaga's 51,505 became 74,800 ; Iberville's 120,960 became 139,191. And so with Jacques Cartier, Laprairie, L'Assomption, Laval, Lévis, Napierville, Quebec city, Richelieu, Rouville, St. Hyacinthe, St. Jean, Soulanges, Trois Rivières, Vaudreuil, Verchères and Yamaska ; all these counties received at the hands of these gentlemen an increase of something like ten per cent. The total area of these counties, according to the first volume of the census, is 2,624,003 acres, while the total area of occupied land according to the second volume of the census is 3,015,083 acres.

Now, I call that a great feat, Sir. If it be, as many have thought, a thing deserving of high commendation that a man should make two blades of grass grow where one grew before, what eulogy would be too great for the man who contrived to extract 400,000 acres in Lower Canada out of nothing ? Why, Sir, two whole counties like Nicolet or Bagot have been added by these generous persons to the total area of the province of Quebec. I know this is an unbelieving generation ; I know it is a commonplace to say that the age of miracles is past. But I say : Perish such scoffers, the age of miracles is here. All you want are the proper accessories. Given a Conservative administration, given a national policy, given a census commisioner who is a competent man and who thoroughly understands his business—and the miracle is there. You evolve 550 industrial establishments out of 11 ; you bring 40,000 people from nowhere. You create 400,000 acres out of nothing. Let my hon. friend the Minister of Agriculture (Mr. Fisher) if he can, equal that. I know he is a zealous, a capable, a most efficient minister. I know he has added millions upon millions to the agricultural wealth of the country and I hope he will go on and add still more. But we have his census, a census which cost twice as much—as hon. gentlemen opposite have informed him—as the previous census did. But where are his 557 industrial establishments evolved out of 11 ?—Where has he found 40,000 people more than the parochial authorities had found ? Where has he discovered 400,000 acres more territory than the surveyors found in the province of Quebec.

So much for the past ;—a word or two as to the future. And here again I admit that I do not desire to count too much on continued prosperity. We have had great good fortune ; I trust we may continue to have it. But I would not desire that we should count too absolutely on that. Let us see what policy the opposition have to propose ; let us see what policy we have to propose. Sir, what have the Liberal party done in the past ? They have diminished taxes and increased revenue. What have the Conservative party done in the past ? They have increased taxes and reduced revenue. Their policy was tried for eighteen years and you have seen in what that policy culminated. What did these hon. gentlemen say, in effect to us ? This : We cannot deny, they say, that Canada is prosperous ; we cannot deny that your policy has been successful, even phenomenal ; therefore, let us change it ; let us go back to the good old days, when trade increased at about the rate of one half of one per cent ; when population was at a standstill, when taxes went into private persons' pockets ; when Canada was a by-word for corruption from one end of the civilized world to the other, when these men gave away an empire to a set of railway promoters for a less sum than would pay the cost of their surveys—surely if you want to go back to the good old times, these are the very men to bring that about. They think the farmers are too prosperous and they declare it is time to bleed them ; the surplus is too large, the taxes are too low ; too much goes into the Treasury, too little goes to other parties ; they wish to cut down the surplus, to increase the taxes to enrich the few at the expense of the many. Again the two policies are before the people of Canada to choose which they will have. The policy of hon. gentlemen opposite is a policy of high tariff and low revenue, a policy which was tried and found wanting during a matter of 18 years, under which we lost a million of our best people and another million of immigrants, who ought to have settled on our shores, a policy of degradation and a policy of stagnation. What did the national policy do for us hon. gentlemen opposite want to know ? I have here a curious and interesting little statement. It is known to all men that between the years 1860 and 1870 the United States were visited with a terrible and desolating civil war. That war raged most fiercely, and was most severely felt in Virginia, Tennessee, the Carolinas, Georgia, Alabama, Louisiana, Florida, Texas, Mississippi and Missouri. Sir, what was the result in ten years in those 12 or 15 states that I have enumer-

ated. In 1860 their population was 9,849,000. In 1870 their population was 11,166,000. They had increased therefore, in that period by nearly 1,316,000. The point to which I desire to call attention is that in these 13 southern states, which for four years bore the brunt of a desolating civil war, which for 6 years thereafter were handed over to the tender mercies of negro legislators, and carpet-bag administrators, the rates of growth—even admitting, which I do not admit, that the statement in our census for 1880 and 1890 is correct—was considerably larger in those four years of civil war, and 6 years of negro rule, than it was in the Dominion of Canada after 10 years of Conservative mis-government. Sir, do hon. gentlemen want to restore that condition of things or does the country desire to restore it ? Yonder are the very men to do it.

Now Sir, what of the Liberal policy ? How do we propose to perpetuate this prosperity and to keep up the stream of immigration ? Let the hon. gentlemen hear and listen and learn if they can. How do we propose to increase the national wealth of this country ?

An hon. MEMBER. Taxation.

Sir RICHARD CARTWRIGHT. No, our policy was to reduce taxation.

Mr. HENDERSON. It was a failure.

Sir RICHARD CARTWRIGHT. Does the hon. gentleman know or do any of these hon. gentlemen know that the result of the British preference last year was to reduce the rate of taxation from about 30 to 18 per cent, and remember that this reduction affected not merely the goods imported directly from Great Britain but had also a most powerful effect in regulating the price of other goods which the people of Canada had to pay for those imported from other countries and those produced by our own manufacturers. If they do not, let them consult the report of the Department of Trade and Commerce and they will see.

Our policy is simple, sensible and straightforward.

First of all we desire to bring in large immigration and to make vast areas of territory available for settlement. Next we desire to arrange for continuous settlement, a most important point ; we desire to bridge the obstructive gaps which separate the settled portions of the country We desire to provide fair railway competition so that the settlers may get fair value for their products and we desire above all to put the taxes into the public exchequer.

What will this railway policy do for us ? It will throw open 300,000 square miles, one way with another, I grant not all good but even the bad has its resources. I grant that much of it is probably not profitable, but much remains which is very valuable and available for settlement.

Now a word as to the risk we are taking. I want to show our probable outlay, taking the most unfavourable possible view, compared with our resources and with the resources which the Conservative party possessed when they engaged in a similar undertaking three and thirty years ago. These hon. gentlemen are never weary of telling us that Sir John Macdonald did wisely in 1871 in accepting the risk which he accepted. There may be two opinions as to that. I will state presently what risk he took, and compare that with the risk which we ourselves are taking. Now I will suppose that we have to do the whole work ourselves. I will suppose, although there is no just ground for any such supposition —that there is no return. I will suppose that this road is to cost one hundred, one hundred and twenty or one hundred and fifty millions, if you will. Sir, it will do no such thing, the interest on the great bulk of the outlay will be provided in a few years, directly by the Grand Trunk, indirectly through settlement. I point out that if we succeed in opening up 300,000 square miles, one single family per square league will pay for our outlay ; one person per mile will pay us many times. How does our risk compare with the risk run, as they say with so much wisdom and foresight, by our Conservative predecessors ? If hon. gentlemen will look back to the figures I gave a little while ago, they will see that in 1871 Sir John Macdonald's total net income after deducting charges over which he had no control, was very little over $8,000,000. Our net income is over $32,000,000. Sir John Macdonald, if his bargain had been carried out as proposed, risked at the very least $7,000,000 out of his $8,000,000 in the enterprise. That amounted to at least 90 per cent of his whole income. At the outside we propose to risk a matter of 10 per cent or 12 per cent of our income. I do not believe any thing like that will be risked. I do not believe there is the slightest fear that the Grand Trunk will abandon the enterprise in which they have joined us. I do not believe that there is the least doubt that a very large part of the interest on our expenditure will be repaid to us long, long before the next decade has closed. More than that I have pointed out that our net income to-day in 1904, is fourfold the net income of Canada in 1871. I point this out further that although there is a temporary rise in the rate of interest there is a very strong probability that in all human likelihood the rate of interest will fall again long before we shall require to become extensive borrowers, and then we will obtain our money at a rate about one half what Sir John Macdonald had to pay. Then too the facility of construction is vastly greater now than it was then. I remember perfectly well the conditions under which that enterprise commenced in 1871, and as I recollect there

was not a single railroad on the American line within 300 miles of the Manitoba frontier or within about 400 miles of the proposed route of railway proposed to travel.

Sir, we have provided from the start for a large traffic on this road. We have a great corporation enlisted as supporters in this enterprise and the movement of population in that direction is now as well established as anything can well be, and lastly there are no onerous concessions attached to this road, by whomever it may be built ; there is no monopoly of the rights of building roads, no exemption from taxes, full control over freight rates. But hon. gentlemen call these trifles. I would like to hear my hon. friends from the west state what is thought there as to the importance of the concessions to the people of this country. The great drain has been stopped, the new blood is pouring in. We have a very considerable surplus to assist us. The risk we run as compared with the risk run with the full approval of these hon. gentlemen is almost absolutely insignificant. There is the very best reason for believing that the influx of settlement into the region we shall open up will far more than repay to our revenue all that we can possibly lose thereby.

And now. Sir, in conclusion what shall I say to my hon. friends opposite ?

An hon. MEMBER. Nothing.

Sir RICHARD CARTWRIGHT. Oh ye of little faith, ye strainers at gnats and swallowers of alternative camels, blind leaders of the blind, you gentlemen who will pose as Conservative statesmen and lend yourselves to policies which a demagogue might be ashamed of, you gentlemen on the opposite side who are everlastingly deafening our ears with your zeal for British connection, although you never held up your little finger to help British connection, you gentlemen who admire British institutions in theory, and not in practice, and who have proved yourselves the most successful imitators of the worst Yankee tricks that were ever invented, from tariff abominations to gerrymanders of sorts you never learn. Must I apply to my hon. friend the Speaker for permission to bring to this august hall a blackboard on which I may prove to these hon. gentlemen that two and two make four, that 1871 is not the same thing as 1904, that between 1896 and 1904 there is a great gulf, a gulf almost as wide and deep as that which separate the innocent lambs on your right from the goats or Mr. Speaker, perhaps I should more correctly say the wolves in sheep's clothing who gnash their teeth on your left. These hon. gentlemen for so long have shut their eyes to the plainest facts that they have lost the power of vision. They have been so politically colour-blind that they cannot tell black from white, or right from wrong, or truth from falsehood, and what makes the case sadder still is that when benevolent parties like myself hearing of this bad case of political cataract, have tried in a spirit of the purest philanthropy to let in a few rays of light to their darkened minds, and still more darkened consciences, the patients are apt to use bad language, and rear and bite the hand that would heal them. You know, Mr. Speaker, from your researches in Holy Writ, and I know from my personal experiences the fate that is apt to befall reformers who in an evil moment cast economic pearls of truth before a certain description of animals. To my Liberal friends I have also a word or two to say. Remember what befell the children of Israel, when they had come very close to the borders of the promised land. They had trounced the Midianitish men, but thereafter they were in imminent danger of falling victims to the wiles of the Midianitish women, and it required very sharp and drastic remedies to save them from disaster. I say to them to beware of those Delilahs, with whom our camp has been swarming since 1896, who will take all they have and give them nothing in return, who will make a mock of them who will shear them, strip them and sell them exceedingly cheap. For myself I think I may say that I am immune, and that I can defy the craftiest daughter of Eve who ever wore scissors at her girdle to shear my locks. Delilah may get my scalp but she never could get my hair. I say to my hon. friends that they have builded better than they knew, and that when they go to the country, they will go with a record that was never yet approached. Sir, it is a simple fact that the record of the Liberal party from 1897 to 1904, let hon. gentlemen say what they will, is not merely the best in the history of Canada since confederation, but it is the best in the commercial history of the world for the last seven years. Sir, they have wiped out the reproach which for 30 years we have had to endure. It was said : You Canadians boast that you possess a magnificent territory, a territory of vast resources, a territory of unsurpassed fertility in great part, a territory of great area, a territory which is able to contain and support in prosperity fifty million or one hundred million of people and yet you have only 5,000,000 of inhabitants and you have not been able to keep your people in your own territory. You have become a little better than a mere breeding ground for the people of the United States. For 30 years the record with which you were faced was that every third person between the age of 18 and 40 born and reared in Canada, found his way into the United States and of the immigrants that came into the country you are only able to keep ten per cent. All that was true, all that was deplorably true, but I am glad to say that we have changed all that. In the present decade there is very good ground to hope that we will gain a million to be added to our own popula-

tion, and instead of losing half a million, and those, too, the flower of our own population, we are gaining the flower of theirs. Now, I say to my hon. friends that I advise them not to be mock modest about these things. I advise them to claim credit for all that they have a right to claim credit for. I admit that we have had great good fortune, but the greatest opportunities will come in vain unless these opportunities are well used. It is true that we have had a good chance, but it is not true that we have gained population in the ratio we have lately done from the United States without great and long continued exertion. The ground was ploughed, the ground was harrowed, the seed was sown and we are now reaping the crop of the exertions of my hon. friend the Minister of the Interior in the last seven years. Sir, it is not true that our increase in trade, especially in the matter of the increase in agricultural products, has been obtained without exertion and without careful provision on the part of this government. Least of all is it true that the overflowing treasury that we are now possessed of and which we have filled at greatly reduced rates of taxation from those which prevailed before could have been gained without adopting what was substantially a revenue tariff, as an hon. gentleman opposite was forced in spite of himself to admit the other evening. That is what I claim for the Liberal party ; no more, no less. Let our opponents juggle as they will, let them mis-state, let them misrepresent and detract as they please, they cannot alter these great facts that in the last seven years the net revenue of Canada has quadrupled, that in the last seven years the increase in the volume of trade is double that which took place in the past 30 years, that our population is increasing to-day in all probability at the rate of 1,000 per cent, certainly at the rate of 500 per cent faster than it was in the decade before. Now, Sir, I do not pretend to say that I or anybody else can undertake to guarantee this country against reverses. We may have to face a world wide depression, as other countries have had to face it. We may have a succession of bad harvests. There may be difficulties, dangers and disappointments. There may be financial troubles, wars and rumours of wars. We may have a chapter of adverse accidents to encounter, but if my hon. friends of the Liberal party are only half as constant to good government and good principle as these hon. gentlemen opposite have shown themselves to evil ones, Sir, I believe that the close of the next decade will see Canada still standing where Canada is to-day, and that is not merely amongst the foremost but the first, primus inter pares, of all the nations, not only of those with whom we trade, but of every considerable nation throughout the civilized world.

Mr. RUFUS H. POPE (Compton). I have listened with particular interest to the hon. gentleman (Sir Richard Cartwright). He is an old parliamentarian and an old politician ; he has retired to some extent from active work in his political party, and having found himself on the shelf, and it being a year since we heard from him last, I thought that possibly during the intervening twelve months he might have discovered something new to talk about. I was disappointed. We heard the old speech of last year from the Knight of South Oxford. We will probably hear it again. At his time of life and in view of the great exertion that it is for him to speak, I think it would be permissible that in the future his speeches be reprinted from year to year in 'Hansard' of sessions to come. The gallant Knight from South Oxford, evidently on false information supplied to him, charged my hon. friend from Pictou (Mr. Bell) that in a moment of weakness he had spoken words that might be interpreted as indicating views favourable to free trade, and he told the member for Pictou that he would give him information on that subject as well as on others. Well, there is no man in this House, who from his experience of having jumped from one political party to another, is better able to give advice on that score than is the member for South Oxford. I was carried back many years in memory as I listened to the speech of the Minister of Trade and Commerce, and I cannot resist the temptation of referring to some of the things which were brought to my mind in connection with his public life. Before the general elections of 1896 when the Conservative party was beaten in the country, there was one lonely politician travelling his native province, forsaken and unattended. Somebody called attention to his solitude, and the member for South Oxford replied :

> Wolves hunt in packs but lions hunt alone.

The lion of course, was the right hon. gentleman himself ; to-day the lion is in his den. Here is another sample of oratory from a speech which Sir Richard Cartwright delivered at Norwich in 1895 :

> He declared if the Liberals won he would be called upon to take the difficult and dangerous post of Minister of Finance. He said it was a post which I will neither seek nor shirk. It is not one which any man who understands the situation is likely to court for some years to come, and as far as I am personally concerned it may very well be you will render me a service by keeping me out of it.

He thought he would be Finance Minister, and so also apparently the Prime Minister thought, but when the hour came to select a Minister of Finance the member for South Oxford was rejected and another found in his stead. They probably had discovered in the meantime in the diagram with which they have supplied us, this

statement of the trade in Canada between 1875 and 1879 when Sir Richard Cartwright was Minister of Finance, and they feared that experience again. Even this Liberal administration that has broken every pledge it has given to the people, that has rejected every plank of its own platform to adopt the platform of its political rivals; that is constantly stealing other people's clothing and casting off their own; even that party cannot find it in its heart of hearts to make Sir Richard Cartwright Minister of Finance. But this was not the first time Sir Richard Cartwright was rejected; he had another bitter experience of the same kind in days gone by. This letter will explain as to how he felt on the occasion of his first turn down.

(Copy.)

Kingston, Oct. 12th, 1869.

My dear Sir John,—I notice with great regret that Sir F. Hincks has been gazetted. From the tenor of my former note of the subject you will probably not be surprised to learn that I fear I cannot support that gentleman. Of course as in duty bound I will await your explanations of the grounds of this appointment, but it is so unlikely that they will be such as to enable me to concur in it that I think it only fair to notify you at once that however well disposed I was and am towards yourself and the rest of your colleagues, I cannot feel the same confidence as heretofore in the administration in which Sir F. Hincks holds office.

So far as you are concerned I do not suppose one supporter more or less matters much just now, and so far as I myself am concerned I am thoroughly alive to the gravity of the step I am taking, but this is a matter in which I have no option.

Yours very sincerely,

(Sgd.) RICHARD J. CARTWRIGHT.

Sir John Macdonald, K.C.B.

Well, Sir, from a gentleman who there announced such high principles, I would expect to find that after 1896 he would retain some shadow at least of the principles set forth in this letter to Sir John A. Macdonald. At a banquet given to Sir Richard Cartwright not very many years ago the Prime Minister took occasion to pay compliments to Sir Richard Cartwright and here is what he said about him:

In the days of Mr. Mackenzie, when the country was much depressed, there were many who believed that if the tariff was increased, that policy would be justified by the necessities of the revenue, and that it would be a valuable policy for the country at large. I can give you the story without betraying the secrets, because these things happened before my day, but if the voice of Richard Cartwright had prevailed at that time this policy would have been adopted. If it was not accepted it was on account of other influences which prevailed with the government of the day, and for sixteen or twenty years Sir Richard bore the brunt of the obloquy of not having responded to public sentiment, whereas the truth was, he was ready to respond to public sentiment. For eighteen years he bore the brunt of all the obloquy, and never whispered a word. . . . It is not every day you can find such abnegation, and such loyalty to the party, and I have reason to believe and repeat to you—I not only repeat it to you, my colleagues, but I wish my words to be heard all over Canada—that Canada little knows the debt of gratitude it owes to Sir Richard Cartwright.

Here is a statement by the Prime Minister that while Sir Richard Cartwright was not true to his principles, he still continued a minister of the Crown hanging on to his salary, advocating a policy he did not believe in, and throwing Canada's trade into a depth of depression the like of which was never witnessed before. And if to-day we have the prosperity which the hon. gentleman can boast of, it is due to the policy of the Conservative party, fought against and denounced as it was for twenty years by the party now in power. The hon. gentleman (Sir Richard Cartwright) complained that the Conservative party had been true to themselves, and that while they attended to the constituencies represented by their friends they neglected the constituencies which returned opponenrs. Well, there is no fear that the Minister of Trade and Commerce will forget his friends. No one who reads the public accounts can charge him with ingratitude.

As I was looking through the pages of history, I could almost fancy that all the Canadian public were named Cartwright. I found F. L. Cartwright, with $1,000; Col. R. Cartwright, with $2,800; secretary Cartwright of the Railway Commission, with $4,000; Rev. Cartwright, of the Kingston penitentiary, with $1,200; Henry George Cartwright, with $550; the secretary of Sir Richard Cartwright, nephew, with $2,200; and, last but not least, the salary of the gallant knight himself; making a total of $20,250 a year that the people of this country pay for the privilege of having the Cartwright family in Canada. If the gallant knight for South Oxford wants to publish the literature of the Liberal party, let him take the sheet which I have just read; and if he feels that he cannot circulate it I will reciprocate the kind offer he made to this side of the House, by having it printed and circulated for the benefit of the Liberal party, in order that the people of Canada may know the great financial sacrifices which the Cartwright family have made for the country. Alexander Mackenzie said that Canada does not care for a rigid adherence to principles of government. I wonder what that hon. gentleman would say now if he were here to witness the giving away not only of principles, but, what is more sacred, the very life of the gallant member for South Oxford, a man of such wonderful abilities that he selected himself

to be Minister of Finance before he gained power. I listened to-day to the old chestnuts which the hon. gentleman was telling us. Mr. Speaker, I am going to be charitable. There is a time in every man's life when the mind ceases to operate on the present and future, and only applies itself to the past. Consequently the hon. gentleman is confined to those two or three old stories on this subject which he has given us so many times in the past.

In regard to the hon. gentleman's position in this House, every man's history or position in Canada is what he makes it. If he found himself driven from the Liberal party in 1896, wandering about alone in the province of Ontario—if the party to which he belongs and which he had been affiliated all those years could not afford to tolerate him as one of their associates on the political platform—if he had achieved such a failure as that, I want to ask what was the result of his labours in those years when he was deriding Canada, and applying to it all the bad names and adjectives that he could find in the English language. The only effect of it was to turn away from our shores hundreds of thousands of people who would have come here to make homes for themselves. We on this side of the House had to fight for our great western country, and none knows it better than the hon. gentleman himself, whose articles defaming this country were published in magazines and sent broadcast by American railroad companies throughout the known world. Under these circumstances it is not to be wondered at that the western states were settled before western Canada. There was a true patriotic people and no Richard John Cartwright in the United States. At that time we had to fight for the building of a railroad into our western country, against the opposition of the right hon. gentleman both in this House and in the country, and against his threats to the farmers that it would mortgage their farms for the rest of their lives. The hon. gentleman's course tended to prevent the people of Canada learning the real truth as to our western country, so that when the railroad was constructed, and the time for settling the country came, and we applied to our own people what did we find? We found that the speeches delivered by hon. gentlemen opposite and their resolutions moved in parliament had the effect of turning the tide of immigration to the western states instead of to western Canada. So we had to begin to convert our own Canadian people to a realization of the wealth and the future possibilities of that great western country, as well as to remove the prejudice against it which had been created in the minds of foreigners. At that time the United States had no surplus population, while they had plenty of territory, and they were bringing in millions of foreign people to settle upon their vacant lands. It was not until a later period that the Canadian Northwest began to fill up, and during the later years of the Conservative administration we began to send immigration agents into the western states and into eastern states as well—and some of these men continue to be employed by the present government and are doing good work—and in that way we laid the foundation of that influx of population into that country which has taken place in recent years, including the return from the United States of many Canadians; and the members of this House will not complain if every Canadian who went to the United States learns of the true value of our great Northwest, and returns to the land of his nativity. We will welcome every one of them. With regard to settlers' effects, that question is confined chiefly to the west. No settlers' effects to any particular extent come into eastern Canada. The law with regard to them has been the law of the land for many years, and it may continue to be for some years to come, so that no special credit can be taken for it by one party or the other.

No hon. gentleman on the other side can say that he, and he alone, or the policy and the party to which he belongs, created that inflow of people. It is the natural overflow of the United States, and England, and of eastern Canada, that is beginning to come into Canada instead of going abroad, as it did in all those years I have referred to. But if you take settlers' effects, you will find that in 1902 the value of $1,500,000 went from Canada into the United States. That would be almost altogether from Eastern Canada. You can run down through a period of several years, and you will find each year settlers' effects to the value of a million and a quarter dollars have gone into the United States, so that when the hon. member for South Oxford (Sir Richard Cartwright) claims that the exodus from Canada to the United States is a thing of the past, he cannot, if he has any sincerity or truth, base that claim on anything except his own belated imagination. The right hon. gentleman only gave one set of statements. When I heard him give quotations from the Bible, I began to hope that he had been imbibing in his heart of hearts the truths of that great volume, and that we would have no more one-sided statements presented by him, but in this I was sadly mistaken.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

CEDAR RAPIDS MANUFACTURING AND POWER COMPANY.

House in committee on Bill (No. 89) to incorporate the Cedar Rapids Manufacturing and Power Company.—Mr. Guthrie.

Mr. BRODEUR. I understand that the promoters are not anxious to go on with the Bill, and move that the committee rise, report progress and ask leave to sit again.

Progress reported.

OTTAWA RIVER RAILWAY COMPANY.

House in committee on Bill (No. 78) respecting the Ottawa River Railway Company.—Mr. Ethier.

On section 4,

Section 13 of the said Act is repealed.

Mr. CHRISTIE. I move that this section be struck out.

Mr. ETHIER. As I am promoting the Bill I think it but right that I should furnish some explanation concerning the motion of the hon. member for Argenteuil (Mr. Christie). Last year this House granted a charter to the Ottawa River Railway Company. In that Bill, which was sanctioned on the 24th of October, there was an unusual—I might say an extraordinary—clause. That is the section 13, which this Bill proposes to repeal, and which reads as follows :

The company shall deposit with the government, within six months from the passing of this Act, plans of the main line between Grenville and Montreal, and on the approval of such plans shall deposit with the government the sum of $25,000 as a guaranty for the construction of the line.

Within six months from the 24th of October the company had the surveys from Montreal to Grenville made and the plans deposited in the hands of the Railway Commission, and these were approved on the 25th of May last. In the meantime the company obtained legislation from the legislative assembly at Toronto for a charter from Hawkesbury to Georgian bay. Now it is applying to complete its system from Hawkesbury to Ottawa, and is asking that this condition requiring a deposit of $25,000 should be withdrawn. The Railway Committee decided in favour of withdrawing it, but at the instance of the hon. member for Argenteuil, we are disposed, in order to show our good faith and sincerity, to have the section amended in this way :

That section 13 of the said Act is amended by striking out the words 'within six months of the passing of this Act' on line two thereof, and substituting therefor the words 'on or before the 1st of October, 1904.'

If my hon. friend will withdraw his motion, I would propose that section 4 of the Bill be struck out and that in its place be substituted the clause I have just read.

Mr. DEPUTY SPEAKER. Does the hon. member for Argenteuil withdraw his motion ?

Mr. CHRISTIE. Yes.

Amendment (Mr. Ethier) agreed to.

Bill, as amended, reported, read the third time and passed.

Mr. POPE.

SPRAGUE'S FALLS MANUFACTURING COMPANY.

On the order.

Resuming adjourned debate on the proposed motion of Mr. Henderson for the third reading of Bill (No. 42) respecting the Sprague's Falls Manufacturing Company, Limited.

Hon. L. P. BRODEUR (Minister of Inland Revenue). I ask that this Bill be allowed to stand in the absence of the Minister of Labour (Sir Wm. Mulock). That hon. gentleman intended to look into this Bill, and I do not know whether he has had an opportunity to do so or not. I would ask that the Bill be allowed to stand until his return.

Mr. HENDERSON. I have no desire to press the Bill. I only moved the third reading in the absence of the promoter (Mr. Ganong). I suppose it will come up again on Friday evening.

Order allowed to stand.

SECOND READINGS.

Bill (No. 126) respecting certain patents of Siegfried Gironcoli.—Mr. MacKinnon.

Bill (No. 129) respecting certain patents of Edwin R. Cahoone.—Mr. German.

WAYS AND MEANS—THE BUDGET.

House resumed debate on the proposed motion of Mr. Fielding :

That the Speaker do now leave the chair, for the House to go into committee to consider of the ways and means for raising the supply to be presented to His Majesty.

Mr. RUFUS H. POPE (Compton). Mr. Speaker, before we went to dinner, I had had a half hour's pleasant occupation in discussing matters connected with the Minister of Trade and Commerce (Sir Richard Cartwright) and something of his record in relation to the public affairs of Canada. I am not disappointed that that right hon. gentleman has not returned this evening. I can excuse him owing to the condition of his health, and I believe it is not altogether too pleasant for the gallant knight to listen to the truths set down in his own record. We had discovered, during our discussion this afternoon, a certain page of Canadian history which may be called the Cartwright page ; and on that page are engraved the names of many Cartwrights, who are being paid for their services—good or bad—to this country at the rate of about $20,000 a year. I take it for granted that these gentlemen have been occupying for the last seven or eight years the positions they now occupy. For I know that the gallant knight is of charitable, friendly, family-loving disposition and would not allow any children who bear his name to be out in

the cold a moment longer than is necessary. And so, we find that the occupancy of these positions by these gentlemen has cost the public about $160,000. And what do we get for all that, besides the odd services that may be rendered by these gentlemen, the foundation of whose influence in securing the position that they occupy is the name they bear. It is that the right hon. gentleman (Sir Richard Cartwright) delivers us a speech once a year—and the same old speech. It seems to me that this is a little hard even for a speech from such a great authority as the gallant knight from South Oxford is estimated to be by the hon. gentlemen on the other side of the House. We also this afternoon spent a few moments in reading a letter which he had written to the late Sir John A. Macdonald in days gone by, telling the great statesman that it would be impossible for him to occupy a position in the government or support him further if Sir Francis Hincks were taken into the administration and made Finance Minister. In those days the people would have expected the right hon. gentleman to act upon a higher plane than the mere consideration of salary. However, he saw fit to stamp his record, even in those early days, with the principle that he could not belong to a party in which he was not permitted to dictate his occupancy of the position to the Finance Minister or member of the cabinet, and so he left his former party. He had not then an opportunity to show his great ability as Finance Minister. But that opportunity came to him later on, and certainly his record as Finance Minister of Canada is not one that he can be very proud of, especially when he looks at the diagram to which I took occasion to refer this afternoon. In that diagram appears the great monument, the high tower, of dismal failure in Canada which was the production of his genius as Finance Minister.

Then it can be said that he has twice as high a tower as any one else in the financial world has ever been able to build when dabbling with the finances of Canada. I do not know that there would be any better place for the hon. member who at other times has offered us free epitaphs to have his written than on the top of that very tower which he, through his financial genius, has constructed as part of the financial history of this country. I also referred to that lonely march of that hon. gentleman through Ontario previous to 1896, which the Prime Minister will remember. I have no doubt that the heart of the Prime Minister who was known to be a sympathetic man went out on many occasions when he thought of his old colleague wandering about in his native province from place to place when nobody even would have him speak. I understand that history is repeating itself and that now he is wandering around for a constituency. I also gave the Prime Minister's testimony as to the great suffering of the right hon. gentleman during the eighteen years that he occupied that position of smothering his true feelings for the benefit of a hypocritical party. It is a sad sight indeed to think of a man, such a lion as he represented himself to be in his wanderings through Ontario, a lion of force and energy, of honesty, economy, and of purity and all those elements that should make a man attractive in this country. Suffering in that way, it was hard to feel that after eighteen long long, long years he was pent up and had to act that double life which I am sure a man of his stern integrity would feel to be irksome. We can forgive him, I and older men on this side of the House can forgive him for those vindictive adjectives which he used to hurl against us. It was his only relief, his only possibility of remaining alive; his very existence depended on his having some ventilation, and he used to pour it out on us, volume after volume for eighteen years. Now that his party is in power he is wandering in search of a constituency and is only utilized in this House once a year to repeat a speech that has been repeated so often that it has become buffoonery and serves only for amusement for the man who utters it. It is a sad come down and is poor encouragement for younger men to enter public life, to suffer eighteen years, to be true and faithful and struggle on, under that terrible load of suffering and at the end of that time to have no constituency and be a poor old man like a wanderer going from door to door no one willing to have him. I do not suppose that any man could be more humbled or humiliated than the gallant knight of South Oxford, when he was not offered that position which he said he was going to have, the position of Finance Minister, which his leader had said he should have. When they went away down by the sea and picked out that secessionist and made him Finance Minister, it must have been an unkind cut to the man who thought he had always been loyal. The gallant knight stated when we thought of establishing the Department of Trade and Commerce that it was absolutely useless, that it was the fifth wheel to a coach and of no possible utility. In order to humble him that was the place selected for him by his colleagues. Of all political histories, taking his record as found in resolutions in the 'Hansard' of Canada, one way one year and another way the next year, looking at his fights against the industries that are to-day being endowed or bonused or given increased protection, like the woollen industry, which within a year he has denounced as being run upon old fashioned ideas, and having to suffer from that rather than from competition—looking into all these things I know of no life that is so sad as that of the gallant knight of

South Oxford—driven from party to party from constituency to constituency, driven from his constituency into the open road among the thistles and the weeds, and there left wandering until allowed to find a little rest in the department which he had said was of no use on earth, and goodness knows where his final resting place will be among the gentlemen who have him in charge.

The gallant knight took an opportunity to lecture this House for five or ten minutes last year as to the purity of the party with which he was associated, and the infamous corrupt character of the party on this side of the House. I thought that perhaps his memory had lost itself; I was not surprised at that, age does have that effect, but it was astonishing to me that he didn't remember some of the history of the other side of the House. I thought that the gallant knight himself bore a reputation for electoral purity, and that he had fought his fights with an honest purpose, an honest desire, and with honest influences. I was astonished on looking up his history, to find him to be a self-confessed corruptionist. I found, Sir, that speaking in Napanee in 1873, Sir Richard Cartwright is reported in his own paper to have said:

> He knew there was a large number of men in the country who wanted to be bought. He knew that because he had bought them twice.

When I read that and read a little farther down remarks made at the Club Nationale by his leader, as follows:

> I would have you rely mainly on the justice of your cause, yet I have learned by experience that we must not forget those human devices that are so essential to victory.

It was then that I discovered the thread that kept together the Minister of Trade and Commerce and the Prime Minister of this country. It was that which accounted for the fact that they have never absolutely separated. There was one thing that they held in common, and that was the idea that power must be had, let the cost, or the conditions, or the influence used, be what they might. I was astonished when I read that, and I could not allow this opportunity to go by without putting this part of the record of the gallant knight of South Oxford on the pages of 'Hansard,' so that he may see that I have attempted to draw a true picture of his political life, and that I have not left out the facts which he must know I possessed at the time I was speaking. There may be many things I have not mentioned, but if there are it is because they have passed from my memory, or I have not a record of them. I would not like to mention anything in connection with his political history except from documentary evidence. Anything I have said of the gallant knight of South Oxford is to be found in the printed documents and in historical records of this country and of other countries, in the courts of law and in various places where a man's history that is so peculiar as his is can be found. Now, before I consider the question of tariffs or revenues, it would be as well that we should follow up a little further the record of the gallant knight of South Oxford as it has appeared from time to time in the pages of history and in 'Hansard.' It does seem strange that a man who is supposed to be possessed of such extraordinary ability as the gallant knight of South Oxford should be living the peculiar life that was pictured by the right hon. Prime Minister in his description of him at the banquet some year or two ago. But we find this statement so recent, and we find this utterance coinciding so well with all the utterances of the gallant knight from South Oxford during the past twenty years, that if we had not the word of my right hon. friend himself at that banquet that his colleague had led a double life we would be disposed to disbelieve him. We would be disposed to think that it was one of those things that just leak out the same as information leaked out with reference to certain things that took place in this House the other evening. But I find the right hon. Minister of Trade and Commerce using the following language:

> I say our protective system was a huge mistake in so far as it was honest at all, and in so far as it was not honest, it was a huge scheme of robbery. A small ring and clique of combiners and protected manufacturers, who, as I have told you, have been permitted for years past to make a prey and plunder of the people of Canada, have held sway.

He says again:

> I stand by the declaration I have made, that protection is nothing more nor less than a deliberate, legalized and organized robbery; and, more than that, if you do not stamp it out it is the very high road to political slavery first, and industrial slavery afterwards.

Considering that, considering the speech that we had delivered yesterday, and considering the promise we had from the lips of the hon. Finance Minister that not only had he done something in the way of protection yesterday, but that he had retained in the tariff of Canada the elements of incidental protection and that he proposed to consider for the future whether he would do more or not through the investigations of the commission, I ask is it not astonishing that the man who gave utterance to these words, and did so over and over again, should be the man who was selected to second the speech made by the hon. Finance Minister yesterday? But, Sir, that is not all:

> Our policy from first to last has been to destroy the villainous system of protection by free trade, revenue tariff, or continental free trade.

Well, Sir, they have our policy and here I believe I speak for my hon. friends be-

side me. Our policy is death to protection and war to the knife to corruption.

Mind you, he had discovered that men could be bought, because he tells us that he had bought them himself. He knew that corruption had been going on.

We strike and we will strike for liberty and freedom from this system of protective taxation.

The system that the right hon. gentleman has supported and drawn his salary under as a minister of the Crown for the last seven years.

And I can tell the hon. gentleman that we will not rest until the slavery that has been imposed upon us has become a thing of the past, and until Canadians are as free as Canadians ought to be free, to make the most they can of the opportunity God has given them.

Well, Sir, the Cartwright family have made the most of the opportunities that God has given them.

Our policy from first to last has been to destroy this villainous system of protection which has been grinding out the vitals of this country. . . . . We denounce the principle of protection as radically unsound and unjust to the masses of the people, and we declare our convictions that any tariff changes based on that principle, must fail to afford any substantial relief from the burdens under which the country labours. This issue we unhesitatingly accept, and upon it we await, with the fullest confidence the verdict of the electorate of Canada.

They waited, they got the verdict, they got office, and they maintained the system.

I will not be satisfied until the last vestige of protection has been removed from the soil of Canada. Our great reform is to put away from the soil of Canada the last vestige of protection.

He repeats that twice in that famous statement.

If the Liberals were successful, they would cut off the head of protection at once, and trample on its body.

Perhaps if the right hon. gentleman had not been so unfortunate as to become so lame that he cannot trample, he might have been trampling on the body of protection; but if he had been trampling on the body of protection, he would have been walking roughshod all over the colleagues who have sat to the right and to the left of him for the last seven years.

We have been attacking this policy year by year. This is an accursed system, a system accursed of God and man.

These are terrible words about a policy which he has supported for the last seven years.

The system of protection has been the bane and the curse to Canada—the bane and the curse of Canada, I repeat.

I think I have read enough to show that if that right hon. gentleman had had that sincerity that some hon. gentlemen on his side of the House have had on some occasions, he would have pursued a different course. We all remember that when the right hon. leader of the government tried to induce another member of his government who did not agree with the principles of the party to remain silently in possession of a cabinet position and let somebody put through the Grand Trunk Pacific Bill, the hon. gentleman got down and out. Where did the right hon. gentleman learn that trick? He has known of one hon. gentleman who had for eighteen years been passing these resolutions and making these speeches from one end of Canada to the other, enunciating doctrines that he did not believe in. What an example this is to young men in public life in Canada! Here you have the life-history of a man like the hon. Minister of Trade and Commerce, who, all these years, had been teaching and preaching a doctrine that he did not believe in, and which was an impracticable and impossible doctrine to apply in this country, asking the young men of Canada to follow under the flag which he raised and to support and endorse the false principles which he enunciated. I believe it would be better for men like this to be confined to no party at all, and that they should be required to depend absolutely on public opinion, because if that were the case we would not be bothered with them in public life in this country so long as we have been bothered with the hon. gentleman. It was under the cloak of party that, searching from place to place through the great province in which he was born, he managed to pawn himself off from time to time upon the indulgence of certain political alliances which found him a seat in this House. We have something more. In 1882 Mr. Cartwright, referring to Mr. Tilley's surplus, said:

I ask how it was got. $1,000,000 was derived from two of the most odious and oppressive taxes which were ever imposed in any civilized country before, under similar circumstances at least—the taxes on breadstuffs and fuel. If he really wants to relieve the people, let him remove the taxes on bread stuffs and coal.

Well, there is a tax to-day on breadstuffs and fuel, and there has been a tax on them since 1896. If that tax was infamous then, it is infamous now, and it has been infamous for the last seven years during which the hon. gentleman as a member of the government has levied it. If, Mr. Speaker, we are not to accept the word of public men in opposition; if public men are allowed to break with impunity every pledge and every promise they make to the people, what is to become of public life in Canada. Here are men sitting on the treasury benches who are committed by

resolution year after year published in the 'Hansard' and published in the press; here are men with resolutions of the Ottawa conference staring them in the face; here they are to-day, the openly confessed violaters of every principle they ever professed. What respect can the public have for men who profess one doctrine in opposition and practice another when in power. If such conduct goes unpunished, it will be impossible to build up that moral tone in public life which makes a country great. And, Sir, the word of a Canadian statesman should be as good as his bond in power or out of power. What respect can the people of Canada have for a leader of public opinion, who like the knight from South Oxford allows himself to occupy the miserable position of being fifth wheel to a coach, as he himself said, and who for the sake of the emoluments of office goes back on all his resolutions and all his pledges to the people. If that is the price of great men they come cheap in this country. Mr. Fielding, in Nova Scotia, had this to say:

> That while it is as a rule inexpedient to deal with Dominion questions in this House, in view of the obnoxious character of the duty on breadstuffs, the House must firmly protest against the imposition of such duties.

Mr. BROCK. Is that the same Mr. Fielding?

Mr. POPE. If it is the same Mr. Fielding who thus spoke in the Nova Scotia legislature, he is to-day the Finance Minister of Canada. Are all these gentlemen on the Treasury Benches of the same kidney? Is the Minister of Finance as great a sinner as the Minister of Trade and Commerce and are they all sinners alike? Mr. Fielding, referring to the coal trade said:

> Referring to the coal trade he said the Liberal party would not preach one doctrine in Cape Breton and another in the rest of the Dominion. If the coal business could not be carried on without protection, then it is better not to carry it on at all. Protection was not a necessity for its welfare; the coal business is not a pauper business.

You would hardly believe it, Mr. Speaker, that the Mr. Fielding who thus spoke and who pledged himself to free coal, is the man who to-day dictates the fiscal policy of the government which maintains a duty on coal. Again Sir Richard Cartwright said:

> Now if there be a principle of political economy clearer than another, it is the principle that the worst tax which could be imposed is a tax on a necessity of life like coal. Moreover it is a tax exceedingly partial and unjust in its operation. It will fall on the poorest classes of the community in the depths of the Canadian winter. It is absolutely sectional, pressing heavily on the people of Ontario, and not at all on the great masses of the people through the other provinces. It will form a standing grievance. It is a most doubtful benefit to Nova Scotia.

Well, Sir, the province of Ontario was not so selfish and so narrow as to endorse this statement. The province of Ontario believes that there should be reciprocity of tariffs between province and province. In view of such language from the gallant knight, and in view of his practices since he came to power, it is no wonder that he is going around to-day alone, looking for a constituency. If he had been consistent in his conrse there would have been at least some one to have gone along with him; there is nothing so faithful as a dog. The robbery which the hon. gentleman spoke of is going on to-day, and it has been going on for eight years, and the hon. gentleman has been approving of it with his vote and his talents. Sir Richard Cartwright, speaking on the Budget on April 26th, 1897, and referring to the preference of 12½ per cent which he said was open to all countries, said:

> And lastly, what my free trade friends will remember and lay to heart, we have turned the ship's head in the right direction and toward the open sea.

His song then was: now we are under full sail; we have been in power for one year, we have fifty odd majority who will swallow everything we ask them to swallow, the flag of the Liberal party for free trade is floating, our barque is in full sail with Captain Cartwright on board. But she did not sail far. She struck a rock before she left harbour. I do not know whether there was any of these two cases of rye whisky on board that the Minister of Agriculture furnishes, but whatever the causes may be the ship did not sail far, and yesterday the knight from South Oxford got another slap in the face, what we call a double backer. He had told the country that one of the things that did not deserve protection was the woollen industry; but yesterday his colleagues wiped out the preference so far as woollens are concerned and further protected the woollen industry. So to-day the hon. gentleman (Sir Richard Cartwright) gets up in the House to endorse the new condition; he will endorse any condition that helps out the Cartwright family. I believe the hon. gentleman to be clever, notwithstanding all his faults, notwithstanding the cruelty that has been shown towards him by the party to which he belongs, who haven't the decency to point the open road for him in the future, and notwithstanding the weak character of his speech to-day; and he must have said to himself as he sat down, thank God I have got even with you for what you did yesterday. Mr. Fielding said:

So far as protecting the industries of this country are concerned, eternal vigilance must be the price of protection.

That is what our Finance Minister said a few years ago. To-day he is not satisfied with one tariff or two tariffs, but he wants three tariffs ; and he is trying to make them subject to the dictation of an autocrat who sits in the government. We shall see about that. We have had various tariffs in this country, but we have never before had a proposition to place in the hands —I will not say of one member of the government, but one citizen of Canada, the right to say what our duties shall be, when they shall be lowered and when they shall be put up. Talk of Russia ! Sir, they know nothing in Russia of the limit of legislation as compared with that of the supposed Liberal party of the Dominion of Canada—men who were supposed to be, if not the fathers of Liberal thought, at least the men expected to perpetuate Liberal principles in Canada. The Finance Minister makes this proposition in face of the fact that he formerly said that one of the absolute necessities of business was stability of the tariff, even at some cost to the industries of the country. He has laid down that principle again and again in parliament ; and here you find him proposing legislation under which you will not know from one week to another what the tariff will be. When the hon. gentleman tries to put this dumping act into effect, he will get into more trouble than the man who tries to run a monkey team in a theatre. Do you think the electors of this country are going to allow any one man to dictate when the tariff shall be changed, put up or put down ? When the people of Canada get acquainted with this proposition of hon. gentlemen opposite it will be known as the dumping tariff, because in my opinion it will dump them out of power. I find that Sir Wilfrid Laurier said :

We will get a treaty with the United States if we can ; and if England objects we will consider her objection. Let Lord Salisbury take care of the interests of England and we will take care of the interests of Canada.

The Liberal party will never cease the agitation until they have finally triumphed and obtained continental freedom of trade.

I do not know what they call a triumph. Perhaps seven or eight years of power is not considered by them as a triumph :

What my hon. friend has said as to my protection proclivities is perfectly true. I do not deny that I have been a protectionist, which I am still.

The policy which we advocate, is the removal of all commercial barriers between this country and the great kindred nation to the south. The Liberal party as long as I have anything to do with it will remain true to the cause until the cause is successful.

Well, Sir, the right hon. gentleman gained power and went to Washington, and came back again ; but he did not bring anything with him except the bills of expenses. The people of this country had the chance of paying $45,000 or $50,000, I forget the amount exactly, but approximately that is correct. The only other benefit we had was that that trip to Washington taught the Prime Minister never to go there again, and he has said on more than one occasion that he was not knocking at that door any more. We are glad to hear that ; but that is one of the principles which the Liberal party said they were going to put in force. We have sat in the House and heard the changes rung hour in and hour out that the Conservative party never could get anything from the United States because we did not treat them fairly—because we wanted an alien labour law, or this or that for the Dominion of Canada ;—because we were British in sentiment we could not expect to receive any benefits from the United States. So the right hon. gentleman said : Put us in power. He had never been in power ; he had been only playing politics up to that time. This is what he said :

When the Liberal party comes into power it will send commissioners to Washington to propose a mutual agreement by which there will be free trade along the whole line.

It does not occur to him for a moment that his proposition will not be accepted. The new Prime Minister, Sir Wilfrid Laurier, the greatest French Canadian, will be going down to Washington. So he went. He said :

There will be free trade along the whole line, doing away with restrictions and removing the customs-houses that go so far to cause friction between the two countries.

What a farce ! Mr. Speaker, the reading of that language and its comparison with the language which these hon. gentlemen have used as an introduction to the present legislation, is alone enough to drive them from power if there were enough thinking people in this country. The right hon. gentleman also said :

If we come to power on that day, I promise you that a commission will go to Washington, and if we can get a treaty in natural products and a list of manufactured articles that treaty will be made. The policy of the Liberal is to give you a market with sixty-five millions of British men upon this continent.

We have not yet got that market. To show how little these gentlemen knew what they were talking about, and how foreign the responsibility of government was to their thought, we find them now proposing a dumping clause by which they are going to exclude, if they can, these very 65,000,000 people. Such a contradiction of policy was never before presented to any nation on

the face of the earth. They have not learned the lesson yet, Mr. Speaker. He goes on to say :

The Liberal party believe in free trade on broad lines, such as exists in Great Britain ; and upon that platform, exemplified as I have told you, the Liberal party will fight its next battle.

They fought that battle. They put their faces towards the open sea, and all got on board. I ask you, where is free trade in this country as it is in England to-day ? What did these hon. gentlemen do ? As is well known, the right hon. gentleman went to England. He had the opportunity of his life, in the judgment of people who knew English sentiment at that time. It was previous to the Jubilee, when the whole British empire was looking for something better in the way of British sentiment than we had known in the past. That noble sovereign, Queen Victoria, was to have her great Jubilee.

All the true and honest men of the different parts of the empire—black and white—were to be present to do homage to that great sovereign. Canada, which is one of the brightest spots in the empire and which never cost the empire a farthing, sent over her Prime Minister. That Prime Minister had promised us in London or Hamilton that the first thing he would do when he went to England would be to treat for reciprocal trade on reciprocal conditions—preference for preference—between Canada and England. Was that promise carried out ? It was not. It was broken like so many others, and what was the excuse ? The excuse given was that this government wished to give England a preference without imposing upon her the bane of protection, which had been a curse to Canada, and also they wished to give it freely as a recognition of the splendid liberty which England had given us. Certainly, Sir, England has given us liberty, but nothing more than the rights which British people enjoy everywhere in this great empire, be they black or white. The Rt. Hon. Sir Wilfrid Laurier stood at the foot of the throne to tell our late beloved Queen how Canada valued British liberty and British connection. But, Sir, there was a time when we were given the opportunity to show our faith and loyalty. That time was when the empire called on all her sons to give the mother country their aid in South Africa. We had the opportunity then, and we know with what generosity of feeling the First Minister responded to this appeal to protect the British flag. We have not forgotten the stand he took on that occasion.

On the subject of a preference, we found Mr. Fielding indulging in these remarks :

England, which, after a great struggle under Bright and Cobden, has made the people's food free, was asked to turn back the hands of the clock and tax the food of the people. England was asked again and again to accept this condition ; and just so long as that demand was made, the great journals and leaders of thought in England scoffed at preferential trade of that kind.

Well, Mr. Speaker, time has gone on and the hands of the clock were not turned back, but have gone on ticking every day from that time to this. And every day the strength of the position taken by us, not from a selfish standpoint, but from the best standpoint in the world, the strengthening of the empire, has become more apparent. Anything that strengthens Canada strengthens the empire in its most vital part. We are a highly intelligent people as compared with other people in the world. Consequently the more of us there are in this country, the stronger will be the British empire, and the nearer to the very heart of the empire will be a people prepared to live and die for the perpetuation of British institutions. Any act, commercial or otherwise, that strengthens Canada strengthens the empire just as much as if it were strengthening the empire in London—aye, more, because we have fresh air and plenty of space and opportunity in this country for the application of men's ingenuity. And we have hope in the future of Canada. Yes, we had that hope when this country was being painted black by the oracle of hon. gentleman opposite who addressed the House this afternoon. Under those circumstances, the clock has gone on keeping time, and we have witnessed the departure from the British cabinet of one of the most able of British statesmen, Mr. Chamberlain, who has taken up this same fight, not for us alone but for all the empire, and the ground upon which he stands is no selfish, narrow, contracted ground, but broad and generous, and his policy, if carried out, will do more for the development and prosperity of this country than all the legislation this government has passed or can ever hope to pass. It means the entry of our agricultural and lumber and the other products we send to Great Britain, into the British market under a system of preference. Hon. gentlemen opposite have adopted certain principles of protection in this country. Why should they object to the adoption of a system in England which will protect us in the very market where our goods have to be sold ? The greater price we are paid for our products, the greater value is added to every acre of land in this country. And in no part of the Dominion will greater benefit be experienced from the adoption of Mr. Chamberlain's policy than in its eastern portion. Our eastern provinces cannot compete with the great west in the raising of grain, but in the manufacture of dairy products and the fine qualities of beef, mutton and bacon, we can hold our own, and if given protection in the British market, we could distance all competitors.

Yesterday was an important day, as is always that on which the annual statement is made of the finances of Canada, and as time rolls on and our population increases, that day becomes more important. There may have been a few people pleased with yesterday's statement because there were some changes in the tariff, but in my judgment there were many more who were disappointed. And if you take all those to whom that speech was addressed, you will find that not one in twenty-five understands what the tariff really means. I am competent there are not ten men on that side who can tell you how that tariff, which was brought down yesterday, really will affect the trade of this country. Still, when the Finance Minister got up and said: behold this splendid combination tariff that I have created,' there was tremendous applause on the other side, and from none did that applause come more fervently than from those who did not understand what it meant. We know that it has a disturbing element. It has a disturbing element because we cannot have a law hanging over every man's head whereby he may be compelled to pay a special duty in addition to the ordinary duty, under certain conditions, without its having a prejudicial effect on trade conditions. But that is not all. Protection as understood by hon. gentlemen on this side, means but one thing, but as expressed in the resolutions moved by the leader of the opposition on more than one occasion. Our national policy takes in all the great natural resources of this country. It embodies a great constructive principle which can be applied in the tariff for the upbuilding of the nation. But when we take up the policy of hon. gentlemen opposite, we find it an unknown quantity. It may be one thing to-day and something else to-morrow.

You will never develop the great resources of Canada with any such fluctuating tariff as hon. gentlemen opposite are now proposing. I agree with the Minister of Finance that a fixed tariff is essential to the prosperity and advancement of the country. I take him at his word. He did not much improve the tariff last year. But he dared not go twelve months longer under the tariff we had. In order to avoid the difficulties which faced him last year, he did improve his fiscal policy then somewhat, by proposing bounties on silver-lead and on iron. But he dare not now come down and say: I am a protectionist, because he has been talking free trade. And so you have an exhibition of a government, a set of men acting together for party purposes and personal gain who cannot announce any principle, who cannot lay down any rule of broad minded legislation that they can undertake to follow. I do not know what would have been the result if we had here the government we had seven years ago. Because, Mr. Speaker, there has been a great change in the personnel of the government. It was said to be a strong government, because it contained Mr. Tarte, because it contained Mr. Blair, because it contained Sir Oliver Mowat, Sir Louis Davies, Mr. Geoffrion, Mr. Dobell, Hon. Mr. Mills and Sir Henri Joly. These men are all gone. And whom have we in their places? Read the history of Canada and you learn nothing of their names. A record of municipal politics might enable you to trace them, but you do not find their names in the national history of Canada. Whether, with the old cabinet we would have had this bulldozing in the trade relations, I do not know. Whether we would have had these half-hearted changes, I do not know. But I do not believe we would. I believe that they would have made such an impression upon the Prime Minister, that they would have bolstered his courage sufficiently, that he would have come forward and said: I am now for the national policy, because the principles of the opposition in this House are the only principles by which Canada can be successfully and well governed: I forsake the pathway of the past; I apologize to Canada, and I am now the head of a strong protectionist government. But we have now an administration of weaklings, the successors of the strong men of earlier days. And so we must accept vacillating legislation, doubtful legislation, legislation in which we find no vestige of principle, while the Conservative party stands for principle as a unit. We know how difficult it is, even when men are agreed upon a principle, to lay it down sufficiently strong to make it work out to the development of the country's resources, to overcome local prejudices and feelings of provincialism that exist to a greater or less extent everywhere. Even if the Prime Minister and his party were united, it would be difficult enough to bring down legislation to upbuild Canada as she should be upbuilt. But when you have a party made up of here a free trader, there a low protectionist, there a high protectionist, and the other fellow nothing at all, it is impossible to get, through such an aggregation, a straightforward policy based upon sound principle.

The Finance Minister yesterday consoled himself with the fact that we are having pretty good times; not quite so good as they were a while ago; they are beginning to pinch here and there a little. He mentioned one or two industries that were very promising in different parts of Canada and I suppose he thought he had knocked the last spots of the sun, by the changes in the tariff that he now proposes. But let him look at Sydney and the condition of the industries there and read the quotations. Let him look at the Soo and the industries there. Let him look at the cotton industry, look at the price of butter and cheese: let him look where he will and see if he cannot find a few spots still left. If there is an industry in Canada that should be in

a most flourishing condition, it is the pulp industry, of which I will speak of later on. The Minister of Finance is beginning to realize, as everybody else is realizing, that we are beginning to feel the effect of competition from abroad. Why, Sir, to look at the trade figures alone is quite sufficient. Take our total exports $214,000,000,—and our total imports—$224,000,000. There you have a balance of trade against us for 1903 of $10,410,000, exclusive of coin and bullion. Sir, we are a young nation, with lots of energy, with plenty of raw material, great water powers and immense possibilities, and what we want is men and money, and especially money, in order to develop these great resources. A tariff that gives us at the end of the year $10,000,000 less money as a result of our trade than we had at the beginning is not a tariff that tends to the develpment of Canada. If the Prime Minister discovers that we have too much money, that we are too wealthy, that we have money to give to the United States or Germany more than they give to us, instead of keeping it at home, his policy is a right one. But if Canada needs money, his policy is wrong, because the figures show that we are $10,000,000 worse off at the end of the year than we were at the beginning. During the by-election in Montreal the right hon. Prime Minister (Sir Wilfrid Laurier) made a speech on this subject. He said : Look at the volume of trade—four hundred odd million. True, more than half that is against us, or is money that we are sending away, but, at the same time, there is the volume of trade. According to that, a man whose wage is $1.25 a day and his expenditure is 75 cents a day would have a total volume of trade of only $2. But if you take a man whose earnings are $1.25 a day and whose expenditure is $1.50 a day you have one whose total volume of trade is $2.75—and this man, according to the Prime Minister, would be growing rich. If we were an old, completed nation, with a number of people living in luxury, following the hounds across country spending their time as ladies and gentlemen do in great centres, all this would be very well. But you are legislating for a different kind of nation altogether. We are a bee hive ; we have to work, we are a comparatively poor people ; our history is comparatively a short one, and every man should work, word, work ;—that is the way to build up the country ; and every man should have protection for his industry and his labour. You cannot expect much good from the policy of a man who lays down the principle that the volume of trade is an indication of a nation's wealth. When our policy proceeds on that theory you may look for hard times before very long.

I have shown that the balance of trade is $10,000,000 against us. Let us look at some of the details. In 1903 our exports to Great Britain amounted to $125,000,000. Our imports from Great Britain amounted to $57,793,000. That left a balance of trade in our favour as between ourselves and Great Britain of $67,000,000. For the year previous, 1902, the balance in our favour on our trade with Great Britain was $68,000,000. But now, if you take the figures of our trade with the United States of America you will find that our imports were $128,000,000 while our exports to the United States were $49,000,000, leaving a balance against us for 1903 of $79,000,000 in our trade with the United States. What we ship to Great Britain are our great agricultural products mainly. We ship, probably $100,000,000 of grain, animals and their products and other products of our farms.

It comes back to Canada, the policy of the hon. gentleman has been that when this $67,000,000 got back here they would not keep it here to furnish employment for the people and encourage industries in this country where possible, but to send every dollar of that to the United States to pay for industrial life in the United States. You cannot upbuild Canada on these lines ; its an absolute impossibility. When we have the money in our own hands, why do we not legislate to keep it in our own hands, by giving prosperity, by giving profitable investment ? You will find in the United States that the old farmers on the flats of the Connecticut river and other valleys invest money in the bonds of railways and enterprises of all sorts in the United States. Their surplus money is not sent to us, but is invested in their own country, and by following a policy of that kind for nearly a century they have built up the greatest nation on the face of God's earth to-day. They are adopting the same policy on the southern part of the continent of America. and does it require much argument to show that it must ultimately be adopted here if we want to upbuild this country ? We have the opportunity if we seize it ; but it will not be by allowing the balance of trade to be as it is to-day, $75,000,000 against us, and going from bad to worse year after year while the hon. gentlemen have been in power.

Now they propose a dumping policy. I want to know where they are going to begin to dump. The right hon. gentleman must be with me in saying that any policy adopted should be one that we can understand, and that laws should be such that a lawyer could understand and define them. The legislatiion now proposed no man can understand. You have a dumping axe, or whatever you like to call it, that comes down at 15 or 50 per cent, but can the right hon. gentleman tell me when dumping is going on ? I would like to ask him how he is going to find out when dumping is going on ? Let us take, for example, the case of ani-

mals. We import $2,341,000 worth of animals to compete with the animals of Canada. Is it time to say that dumping is going on ? Will he say he is going to dump now with animals coming in to that extent ? Take, for example, pork products. Last year we had from the United States $2,221,000 of pork products, ham, bacon, under the head of provisions, that could be produced, by our own farmers. When are they going to begin to dump on that amount ? Then take lumber. Here you have $4,000,000 worth of wood and its products. Are they going to begin to dump ? Take paper. We have over $2,000,000 worth of paper coming in, when we are the greatest fibre producing people in the world. We have immense forests of timber, and are they going to begin to dump on this ? Hon. gentlemen are as silent as the grave. If the whole row of seventeen ministers sat there, you could not get a reply, because they dare not say. We have here on our statute-books a law which they cannot interpret, and they dare not tell us at what stage they are going to put it in force. That is what they mean by stability of legislation.

I should also like to refer to the question of expenditure. I find that when the Conservative party left office in 1896 we had an expenditure of $36,949,142.03, and in 1903 I find that the present administration had an expenditure of $51,691,902.76, or an increase of $14,712,760.73 chargeable to consolidated fund.

Now, Sir, if we take the total disbursements, we find that in 1896 they were $41,702,000 ; in 1903 they were $61,000,000, an increase, in round numbers, of $20,000,000, after making a proper disposition of the $3,000,000 in connection with the North Shore Quebec Railway subsidy vote.

When these hon. gentlemen appealed to the country for power, I had been supporting a government for about seven years, and since that I have been about the same number of years on this side of the House. They appeal to our constituents apparently in earnest that the party then in power was too extravagant, and must be turned out in order that the expenses of the country may be reduced. They cried out against that tremendous expenditure of $36,000,000. All we now have from that poor old remnant of a politician, who now occupies that position of the fifth wheel to a coach, is the eloquent statement that taxation has changed to-day, and that the thing which used to be taxation is not taxation now. Why ? Because I am now getting $8,000 and the other Cartwrights, big and small, are getting the balance of the $20,000, which makes all the difference in the world. This $20,000,000 has to be accounted for. Hon. gentlemen can pass their estimates through this House, but the time will come when they will have to face the people of Canada and show what they have done with the money ; and I do hope that some hon. gentleman will do what has never yet been done, show the great public works that remain as monuments for the expenditure of this tremendous amount of money over and above what we expended for the government of Canada.

The total debt in 1896 was $325,000,000 and in 1903 $361,000,000, or an increase in the total debt of $35,000,000. The total assets have increased $32,000,000, thus leaving $3,000,000 of a total increase in the indebtedness of the country since they came into power. Adding to that the $3,000,000 which have been charged to the wrong account, you get $6,416,006 as the actual increase of the debt. These are figures such as are not given to us in any cooked form. Whether that debt has increased $3,000,000 or $6,000,000 or $1,000,000 at the end of this year, as the Minister of Finance said yesterday, makes no difference for the purpose of my argument. We do not find that this wonderful increase of expenditure is devoted to the reduction of the debt. That is sure. We have not put our revenues there ; we have expended these revenues, and still have this indebtedness.

We have a total revenue for the last five years of the Conservative regime of $182,000,000, an average of $36,000,000 a year. For the last five years of this administration we have had a total revenue of $248,000,000, an average revenue for the last five years of $49,000,000, an average increase of $13,000,000, or a total increase for the five years of $66,000,000. I want the hon. gentleman who leads this government, or some of his associates, to show to this House and the people of Canada what great construction has taken place in Canada, representing that $66,000,000 of increase. They have imposed heavy burdens upon the people of Canada in the way of taxes, for which, so far as I can see, in the length and breadth of Canada we have no great public work of utility to Canada.

Now, Sir, if we do not find it there where can we find it ? When we of the Conservative party were in power, we spent money. We do not deny the fact. We increased the public debt by some hundred million dollars, but if you look at the $65,000,000 we put into the Canadian Pacific Railway, if you look at the $20,000,000 we put into the Intercolonial Railway, if you look at the $33,000,000 we put into the canals and public works of that kind, you have the accounting for a larger amount than that by which the Conservative party increased the public debt. I want hon. gentlemen opposite to show us a Canadian Pacific Railway, to show us extended works, to show us great construction representing this money that they are sucking out of us from year to year in extra taxes. This is a government composed of men who said that a dollar should not be taken from the people of Canada except to pay the mere running expenses of the administration. Is that the

reason why the running expenses of the administration have been put up year after year ? Is it to provide a sink hole for the money taken out of the pockets of the people ? Why not apply this money to the reduction of the public debt ? Let me say to my right hon. friend that the people of Canada are not all asleep. They have not all money to burn. Some of us have to work for our living in this world. We know what it is to earn our livelihood by honest investment, or ingenuity, or actual labour. The mass of the people want to know what has become of the money. If you will take the figures of the various departments for 1896 and compare them with those of 1903 you will find how the expenditures have increased. You will find that under the head of interest on debt there has been an increase of $565,709 and justice, $201,678. I ask you if there is any better administration of justice in Canada now than there was then. We get no better administration of justice than we have always had in Canada. Hon. gentlemen opposite may talk about the Yukon. They should reduce the Yukon somewhat. There is not so much coast line as there used to be when we left power. They have given away part of it. They have found Canada too big to govern. There was an increase in civil government of $158,164, fisheries $100,578, and the only break in the list of increases is that furnished by the geological survey. In immigration there has been an increase of $522,715. The right hon. Minister of Trade and Commerce worked at some length this afternoon upon the question of immigration. He said that the hon. Minister of the Interior (Mr. Sifton) deserved great credit for the settlement of the west, that the hon. Minister of the Interior deserved all the credit that the records of this country would give him. I dwelt at the outset of my remarks this afternoon on the question of immigration and I wish to enter my protest against a system of immigration which fills that country with men from the slums of Europe and gives no similar opportunity to the men of eastern Canada. I know that in the district where I live a poor man can go across the line 35 miles and he can buy a ticket to the Northwest of Canada for less money than he can buy it from his own village. I say the principle is wrong. Surely we need not put an obstacle in the way of a man who is born in Canada under our own flag. Surely he should enjoy advantages equal with those extended to Doukhobors, Galicians, Americans and everybody else on the face of the earth. We have been asking for quality and asking for quality only. We say that we do not want, merely for the sake of putting people into this country, to take any class of people who will lower the ability and standing of the people of Canada, and we also say that the men of eastern Canada are entitled to the same consideration as if they were born in some of the lower parts of Italy or Russia. I would remind the right hon. Minister of Trade and Commerce that when we were in power and striving to put immigrants into the west he supported Mr. Somerville's resolutions proposing to strike $50,000 off the item for immigration and if he will look through 'Hansard' he will find himself and his leaders great and small on record as fighting session after session against putting any immigrants into our western country. For quarantine there was an increase of $168,084 and for Indians $197,407. The Indians must be growing. For the branch of the superintendent of insurance there was an increase of $4,908, lighthouses, &c., $498,086, mail subsidies $214,369, and so you will find increases in all the departments except that of the geological survey, chargeable to collection of revenue and to capital accounts making a total increase in the year 1903 over 1896, when we left office, of $17,098,339. That accounts for some of the taxation hon. gentlemen opposite wrung out of us. The only decrease, as I have already said, is in the geological survey ; all the rest of the departments show increases, while we have in the country only half a million more population than we had when hon. gentlemen opposite came into power. I say that an increase of $17,098,339 is a misappropriation of the taxes secured from the people of Canada. It has not been applied as it should have been towards a reduction of the public debt. If hon. gentlemen opposite had been true to their promises, if they had given us some reasonable amount of retrenchment, if the enlargement of the expenditure had been in proportion to the increase in population we would say nothing about it, but after adding $17,000,000 to the expenditure, I ask them if it would not have been reasonable to have expected that they would have applied $10,000,000 at least to the reduction of the public debt. I believe that the people of Canada are anxious to know something about these expenditures. One word as to the surplus. The hon. Minister of Finance glowed with surpluses. The right hon. Minister of Trade and Commerce did not say much about surpluses. He did not know anything about them when he administered the affairs of this country. He had no experience of handling surpluses and he denounced them every time we had them as being the result of wringing taxes out of the people. With his inexperience, with his past record and with the fact that, as he showed this afternoon, he has taken to reading the Bible, I believe he shows his one sincere position in order to assure the salvation of his dear old soul. There may be $14,000,000 of a surplus. I am not a finan-

cier, I am not a book-keeper and I do not propose to begin to be one now. But everybody looking at the items, going over the Intercolonial Railway returns, the returns of the sales of Dominion lands and the various other items, must admit that if the book-keeping was done as a financial or banking or commercial house would be obliged to do their book-keeping instead of being $14,000,000, the surplus would be about $4,000,000. For the purpose of bolstering up their statement they have charged the extra expenditure on the Intercolonial Railway and the bounties on iron and steel to capital account, and summarized these amounts to $10,000,000. If the Minister of Finance would do his book-keeping honestly, he could claim a surplus of $3,000,000 or $4,000,000, and then according to the opinion of his colleague (Sir Richard Cartwright) he should reduce the public debt by that amount.

I thank the House, Mr. Speaker, for the attention with which it has listened to me. I look forward with a great deal of confidence to the future of Canada, because like all good Conservative boys, even before I could vote I was taught that on this northern half of the American continent we should build up a great nation, worthy of the mother country and of the British flag. I have never lost confidence in my country. As I go from the Atlantic to the Pacific, I am proud to see on every hand the glorious monuments to progress and prosperity, which have been erected by the Conservative party under the leadership of that grand old man, Sir John A. Macdonald, whom the present Prime Minister vainly attempts to imitate. I rejoice at the development of the great west, the foundation of which was laid by the Conservative party in face of the opposition of the Liberals who called it: a frozen region, a sea of mountains, and everything that would defame it. I hope that the Liberals have forgotten the wicked words they uttered in derision of that country. It would have been in the best interests of Canada that they were never uttered, it is in the best interests of Canada that they should be forgotten. These gentlemen now on the treasury benches have forfeited their right to claim any share in the great development of the Northwest. That credit belongs to the Conservative party, and to its great leader Sir John A. Macdonald, whose patriotic efforts were always directed towards making Canada a great nation.

Mr. C. B. HEYD (South Brant). Mr. Speaker, it is rather late in the evening to attempt to make a speech on this great question, but I shall shorten my address by treating, in the manner in which it deserves, that part of the speech of the hon. gentleman (Mr. Pope), which he devoted to vilifying the Minister of Trade and Commerce. The character of our friend, the right hon. knight, is too well known throughout Canada to be detracted from in the slightest degree by the attempted disparagement of the member from Compton (Mr. Pope). When he and his shall have been forgotten, the name of Sir Richard Cartwright will be remembered with pride by the descendants of the men who now sit in this House. I shall, therefore, only deal briefly with that part of the speech of the hon. gentleman (Mr. Pope) in which he pretended to treat of public questions. To strengthen his argument, that the present government was extravagant, he was forced to make the assertion that the books kept by the Finance Department were falsified. Well, that is a strong statement to be made by a man who knows absolutely nothing about the matter. He might just as well have said that the books were falsified to the extent of $30,000,000 as $3,000,000, because he would have no more justification or data for the one statement than for the other. If the hon. gentleman (Mr. Pope) had contended that our expenditure last year was some fourteen million dollars more than in 1896, he would be near the truth, and he did not need to disparage the book-keeping of the Minister of Finance to sustain such a statement. To me it is quite immaterial what the expenditure is, so long as that expenditure has been made prudently and wisely made in the interests of the people of Canada. The hon. gentleman cannot find one item of that expenditure which he and his friends on the other side of the House dare attack. For years they have been saying in a general way that the government is extravagant, but they have never attempted to attack one single item of the increased expenditure. Had they done so, the hollowness of their argument would be apparent to all. Let us see how this increased expenditure of $14,000,000 was disposed of. Was it prudent for this government to pay $473,000 more a year for interest on the debt, for which the Conservatives were mainly responsible? Could we help ourselves, without repudiating our honest obligations? Was it prudent to put $514,000 more into the sinking fund, in order to enable us to meet our obligations when they mature? Was it wise and prudent to spend $191,000 more on the administration of justice, in view of the fact that within the last eight years our population has so vastly increased, and the bounds of our country have been so immeasureably extended? Was it wise to spend on arts, agriculture, and statistics, $1,064,000 more than the Conservatives spent? The whole question is one of judiciousness, and when we look at the results obtained we will see that that increased expenditure was amply justified. We find that the number of immigrants who came to this country in 1896 was only 31,000, while last year it was 125,000. Was it prudent to spend more money to bring about that result? The number of home-

stead entries in 1896 was 1,384 ; last year it was 31,000. If we can continue such development of agriculture and immigration as this wise expenditure has brought about, are we not amply justified in incurring it ?

Was it wise to increase the expenditure on militia by $824,000 ? I do not know. The military men in the House approved of the expenditure ; it was not called in question by anybody in the House ; and I am inclined to think that so long as we have a militia we might as well spend as much money upon it as is necessary to make it efficacious for the emergency if it presents itself. We spent $2,900,000 on public works. The question is, were those public works necessary ? As they were not strongly objected to at the time, I assume that it was a judicious and wise expenditure. There has been an increase in the collection of customs of $280,000. Has that been a judicious expenditure ? Why, we collect to-day some $17,000,000 more than they did eight years ago, and the cost to-day is 3.31 per cent, while eight years ago it was 4.43 per cent. Therefore we are doing the labour much cheaper than they did it ; and while it cost $280,000 more per annum, we are in receipt of an increased revenue of $17,000,000. I regard that as a judicious and necessary expenditure. But the hon. gentleman does not find fault with the Inland Revenue Department, where the revenue has increased from $7,900,000 to $12,000,000, while the actual expenditure has decreased by $7,000. He does not find fault with the Post Office Department, where we spent some $500,000 more, but wiped out an annual deficit of $700,000, besides reducing the postage on letters to represent $800,000 more ; so that by the judicious expenditure of $500,000 per annum the people are bettered to the extent of $1,500,000. Does he object to the increased expenditure on railways and canals of $3,000,000 when the revenue has correspondingly increased, and at the same time great benefits have been conferred upon the people of Canada ? Does he object to the expenditure of $1,000,000 on the Yukon and an increased expenditure of $1,000,000 on the Territories. Does he object to an increased expenditure of $500,000 on the ocean service and $500,000 more on the census ? There is where our money has gone to. Have we judiciously and wisely expended that money ? Have we derived a benefit from that expenditure That is the principal object the people of Canada have had in view. I think there is no reason for the aspersion our friend has cast upon the bookkeeping of the department. Neither is he wise in calling in question the judicious expenditure of public money that has been made.

Our friend also falls foul of our immigration policy and the quality of the immigrants we have placed in the Northwest.

Hon. gentlemen opposite are a little jealous that this tremendous development has not taken place during a Tory regime ; but we have had the proud satisfaction of hearing the hon. leader of the opposition say that after a visit to the Northwest, he was agreeably surprised to find what admirable settlers the Galicians made—that particular class of people who for years have been very much abused and maligned and belittled, and pronounced unfit settlers for our great Northwest.

Our friend thought he struck something of a financial character that he could retail to the House with a great deal of gusto when he told us that the balance of trade had been against us last year to the tune of $10,000,000. Why, that is not a very serious offence. I myself do not regard it as of any importance whether the balance of trade is for us or against us. But if under the present fiscal arrangements the balance of trade against us last year was $10,000,000, what is it likely to be if we adopt that fiscal form of policy which the hon. gentleman and his friends advocate ? The best evidence of what the results will be is to be obtained by taking a look back and seeing what they have been in the past ; because what has been will be under similar conditions. Now, let us take the results of the tariff policy of the present government and compare them with the results of the national policy during the eighteen years that it was in existence. I prepared this table last year, expecting that somebody who would want to figure as a political economist of high repute would work off that balance of trade argument when the opportunity arose, and that it would be just as well to have our powder dry. From 1879 to 1884 our imports were $572,000,000, our exports $480,000,000 or a balance of trade against Canada of $91,000,000. From 1885 to 1890 our imports were $612,000,000, our exports $484,000,000, or a balance of trade against Canada of $127,000,000. From 1891 to 1896 our imports were $656,000,000, our exports $609,000,000, or a balance of trade against Canada of $49,000,000. During the past six years up to 1903 the imports entered for consumption were $928,000,000, while the exports, the produce of Canada, were $947,000,000, or a balance of trade in favour of Canada of $18,000,000. Now, a brief summary of the results of the past twenty-five years shows that between 1897 and 1902 the average balance of trade in favour of Canada was $3,084,000, or a total balance of trade in favour of Canada of $18,000,000, while from 1879 to 1897 the average annual balance against Canada was $14,000,000, and the total balance against Canada for the eighteen years was $268,000,000. And yet our friend comes forward and tells us that our fiscal policy is bad, that our trade regulations are bad.

The hon. gentleman spoke with great vigour on the next point, namely, that we had nailed the flag of free trade to the masthead. Why, he and everybody else who is familiar with the history of Canada must know that such a party as a free trade party never had the control of affairs in this country—that it is only a remote dream of some of the most ardent political economists of that stripe. But we did object in 1895 to the policy of our friends on the other side of the House, because we believed, and we have proved, that it has decreased the value of farm and other landed property, that it has oppressed the masses to the enrichment of a few, that it has checked immigration, that it has caused great loss of population, that it has impeded commerce, and that it has discriminated against Great Britain. Was not every statement made at that convention in Ottawa true ? Have they ever been controverted ? And the convention proceed to put this opinion on record :

> In these and many other ways that tariff has occasioned great public and private injuries, all of which evils must continue to grow in intensity as long as the present tariff system remains in force.

Then the convention laid down the policy of the Liberal party :

> That the highest interests of Canada demand a removal of this obstacle to our country's progress, by the adoption of a sound fiscal policy, which, while not doing injustice to any class, will promote domestic and foreign trade and hasten the return of prosperity to our people.

That is the policy of the Liberal party, and for the past seven years that policy has been amply justified by its results. All we need do is to compare the conditions of the country to-day with what they were in 1896. Every statement we made on the public platform as to the evil effects of the policy of our friends opposite we have demonstrated. To-night and on many other occasions we have proved absolutely the accuracy of the Liberal contentions and the soundness of the Liberal policy. Is it not true that the adoption of the policy of the Liberal party has brought prosperity to our country ? Is it not true that it has put an end to discrimination against Great Britain ? Is it not true that it impedes commerce less than before ? Is it not true that it is preventing the loss of population, checked emigration, worked for the betterment of the masses as against the classes, and increased the value of landed property ? Our policy has in every particular done the exact opposite of what the policy of our friends did. They brought about all these evil conditions, and we have at last restored Canada to her own. I think, Sir, I have devoted as much time as is absolutely necessary to a refutation of some of the arguments of our hon. friend (Mr. Pope), and have shown the absolute absurdity and untruthfulness of many of his contentions.

But when the Liberal party attained power under the flag of freer trade, they found a condition that required treatment—not too radical but sufficiently radical to remove some of the evils under which the people were suffering. And what has been the result ? After seven years of experience of the application of the Liberal tariff policy, we can show a progress hitherto unparalleled in our trade and commerce. Our hon. friend opposite alluded to our export and import trade. I intend to allude to it also but only very briefly, and simply to show the wonderful development which has taken place. The goods entered for consumption in Canada in 1896 amounted to $110,000,000. Last year they amounted to $232,000,000, or an increase of over 100 per cent. In 1896, among those goods which were entered for consumption, was $1,669,000 in coin and bullion. Last year there were $8,976,000 of coin and bullion entered among our imports for consumption. I am sorry the amount was not $118,000,000, because the higher we can make it, the better for the people. But while we were importing six times as much coin and bullion under the Liberal as we did under the Conservative administration, they were exporting exactly six times as much out of the country. They exported in 1896, $4,000,000 worth, while last year only $600,000 of coin and bullion went out. They also imported in 1896, $2,188,000 worth of settlers' effects, but last year we imported $6,442,000 worth. Each one can draw his own conclusions and put his own meaning and attach his own significance to that statement. And the quality of our immigration is best represented by the amount of settlers' effects. In 1896, the foreigners brought in $49,000 worth and last year only $36,000 worth. The British brought in $425,000 worth in 1896, and last year, $1,117,000 worth. The Americans brought in $1,714,000 worth in 1896 and last year $5,287,000 worth. So that almost the whole of the settlers' effects which come into this country come from the English, Scotch, Irish and American settlers. Yet, Sir, we are told that that is not anything to the credit of this country. Well, I am not one of those who place too much faith in immigration. Neither would I be at all anxious to fill our country too rapidly. I would much rather that the people who are in it to-day were happy, prosperous and contented than pauperize them by doubling or making their number four times as great as it is. But, if we can induce a quality of immigrants to enter who will assist in developing our country and at the same time better the conditions of the people who are here as well as their own, then I am prepared to spend quite a lot of money to bring in that class, and I am exceedingly gratified to find, by a careful examination of the census

of the United States for the last ten years, that our immigrants are away and beyond superior to theirs in character and quality. Their immigrants are almost exclusively composed of that class which we on this side do not consider a desirable addition to our people.

So much for the imports. Now take the exports, and let us see what a wonderful development has taken place in Canada during the period the present tariff policy has been in existence. Hon. gentlemen opposite may attribute our development to what influence they please. They may call in to their aid Providence and good luck or anything they like. As long as we have the result, we do not care how it was immediately brought about. But the improvement is here ; and if the present government should remain in power, it is here to stay. Look at our exports. In 1896 we exported $8,000,000 worth of minerals. Last year we exported $31,000,000 worth. But the greatest development that has taken place is in animals and their products and agriculture. In 1896 we exported $36,000,000 of animals and their products. Last year we exported $69,000,000. In 1896, we exported $14,000,000 worth of agricultural products. Last year we exported $44,000,000 worth. Altogether in farm products we exported in 1896, $50,000,000 worth and last year $114,000,000 worth. Providence may be responsible for that to a considerable extent. Providence permits the sun to shine, the seeds to germinate, and waters the soil with the rain from heaven.

But somebody is required to put his hand to the plough, to plant the seed with judgment, to exercise intelligence in the marketing of the crop—and to be assisted, as far as possible, by the present government in removing any restrictions which interfere with his marketing it to the best advantages. That is where the aid and assistance of the present government comes in. Then we have the increase in provisions—in 1896 $21,000,000 and last year $50,000,000. Cheese, 1896, $14,000,000 ; last year, $24,000,000. Butter, an increase from $1,000,000 in 1896 to $7,000,000 last year. Bacon, an increase from $4,000,000 in 1896 to $16,000,000 last year. And so, altogether we exported last year $214,000,000 worth of the produce of Canada, where, in 1896, we exported only $109,000,000. Our total exports and imports in 1896, the produce of Canada, amounted to $222,000,000, as against $448,000,000 last year. Is that not something to be proud of ? Is that not something the government can take some slight credit for ? We do not want to attribute all the credit to the government ; we want to leave a little of it to the intelligence and industry of our people. But it is a wonderful significant thing that such a change should have taken place in so short a period of time ; that just when the affairs of our country were being managed by this new set of men this great increase of trade should have taken place. It is a singular coincidence. Each man must infer from it whatever he thinks right. And how do we find ourselves at the end of the seven years ? We find ourselves away ahead of any other nation under the sun in the increase of our foreign trade. Canada stands at the top, with an increase of 103 per cent. The United States had an increase of 67 per cent ; Germany, 58 per cent ; Australia, 38 per cent ; Great Britain, 24 per cent ; France, 22 per cent, and Sweden, 9 per cent. Why should we feel discouraged ? Why should not we feel proud of our country ? Why should not we have faith in our government, during whose reign these things have occurred ? We have increased the revenue of the country from $36,000,000 to $66,000,000, and if we had continued the old tariff we could have increased it by four or five millions more. And how has all this affected the common people ? You find them all sharing in the enjoyment of this era of prosperity. In the twenty-five years following 1868 the deposits in the savings banks increased from $68,000,000 to $245,000,000, an increase of $177,000,000. During the past seven years they increased still further by $225,000,000. Then take the aid that business men required in the giving of discounts. In the first twenty-five years of the history of the Dominion these increased from $86,000,000 to $224,000,000, or an increase of $158,000,000. During the past seven years the increase was $182,000,000. Take the bank assets. During the first twenty-five years these increased from $121,000,000 to $316,000,000, or an increase of $195,000,000. During the past seven years they have increased to $641,000,000, being an increase of $325,000,000. Then take our shipping—increased from 49,000,000 to 70,000,000 tons in the last seven years. Take our railways—increased from 16,214 to 19,883 miles ; passengers carried, from 13,000,000 to 20,000,000 ; railway earnings, from $50,000,000 to $83,000,000. All along the line you find an increase of 50, 60, 70, 80, 90 or 100 per cent. In only one column do we find that the figures are greater under the Conservative government than under the present government. In 1896 there were 2,118 failures for $16,000,000. Last year there were 1,101 failures, representing $8,000,000. The only item in which the late government excelled this government was in bringing about conditions which made it twice as likely that a man would fail if he engaged in business, and twice as many did fail before the present government came into power. Everywhere to-day we find prosperity. Every town and hamlet is prosperous. Every farm is increased in value ; every farm mortgage lessened ; every man assured of employment at increased wages. And yet our friends opposite say that we have mismanaged the country.

But, Sir, I intend to devote myself to the question that was presented for our con-

sideration by the Finance Minister yesterday. He told us something that the member from Compton said not ten men in this House could understand. I am willing to take my place with the hon. gentleman (Mr. Pope), who said he did not understand it. But, from some of the observations he made, I could understand that a much simpler problem than that presented in the financial affairs of this country would call for the use of the hon. gentleman's whole endowment of the mental powers. The thing we are particularly interested in here to-night is not the character of Sir Richard Cartwright, not the views he entertained twenty-five or thirty years ago, not the views entertained by any man when the conditions were entirely dissimilar from those we have here to-day. The question is what is best to be done under the circumstances under which we find ourselves placed. The government have considered the matter, and have given us their views in the resolution that was introduced in the House yesterday: 'That it is expedient to amend the customs tariff of 1897.' A great many people have been thinking for some years that changes in the tariff were absolutely necessary. I have come to the conclusion myself, after very careful examination of the question in some of its phases, and after having had the opportunity of accompanying different deputations to interview the government, that it would be a good thing if we could revise this tariff and better adapt it to our present conditions. A tariff that was admirably calculated to draw us out of the condition of stagnation in which we stood in 1896 might not be the best tariff under the changed conditions of to-day. And it may be, as has been represented by the Minister of Finance, that the best plan to be adopted is, before we make a general change in the tariff, to have those members of the administration who are best qualified to pursue such an investigation do what they did seven years ago—go out into the promised land and make a strict search into its conditions and report their observations to their colleagues, and, with the advice of their officers in the departments, once more present to the people of this Canada a tariff possibly better suited to its needs and its requirements even than the modified tariff of to-day. Therefore, when the minister says that this is the intention of the government, and that he had in his own mind a maximum tariff to be applied to nations that might not treat us with such favourable consideration as others, and a minimum tariff with those who are prepared to deal with us on fairer and more equitable terms, and further, to have a preferential tariff in favour of Great Britain that shall not be injurious to the people of Canada, I am heartily in accord with him. I am exceedingly glad that the government had the courage to raise the tariff on certain items, especially to raise the tariff on woollens by putting them back on the 30 per cent list.

I think they were wise in that. The arguments that were presented in the petition of the woollen men left them no other course. I sympathize with them in the position in which they found themselves. They had given a voluntary preference to the people of Great Britain greater than under the circumstances was in the true interest of the people of Canada, and when it was found impractical, every day working that while it was beneficial to the great mass of the people it was doing an irreparable injury to one of the prime industries of the country, I am glad to say that the government could swallow their pride and remove from the statute books something that was a grievance and a menace to the woollen industry of the country. It might be said and it has been said that the woollen people did not require that relief. I am in a position to prove that the woollen industry was suffering and absolutely required this relief and I think the financial returns will best prove that.

If we take the principal items that are affected by the change in the tariff what do we find?

In 1896 there were imported of cashmeres, cloths and doe skins, $1,170,000 worth.

In 1903 there were imported $2,381,000 worth.

And during the 10 months of the present year $1,900,000 worth, or during the past 10 months an increase of 50 per cent over the entire year 1896.

Take wool coatings and we find that during the same period they had increased from $488,000 to $944,000, and to $764,000 during the past 10 months, or an increase of 50 per cent.

Tweeds increased from $428,000 in 1898, to $1,600,000 during the past 10 months. This gives total import of the goods in reference to which the woollen men complain, of $2,096,000 during the first 10 months of this year, an increase of 100 per cent. At the same time the raw wool, out of which the Canadian manufacturer makes his stuff was imported in 1896 to the extent of $1,215,000 and last year to the extent of only $1,374,000, an increase of 11 per cent in the raw material of the woollen mill while there was an increase of 300 per cent in the importation of manufactured tweeds. Why should not the owners of woollen mills participate in this grand prosperity which has come to this country. Why should their industry be singled out almost exclusivly as the one which should not participate. No amount of argument based on one particular woollen mill engaged in a particular line of industry, will avoid objections as apparent as this, when we realize that the importation of raw material

used by these men had increased 11 per cent in the last seven years while the importations of the manufactured product increased by from 50 to 100 or 300 per cent. I say that the government was wise in making that change and I am rejoiced at it.

I need not say that I sympathize with the duty value which is placed upon horses and mares, and also with the duty value placed upon carriages. I felt gratified when the government introduced something that was going to remedy an evil that had long been tormenting the manufacturers of this country, an evil that only assumed its present magnitude owing to the high protective policy of our friends across the line, the policy which our frends on the other side desire to make the law of the land. Nowhere is it possible to create such tremendous corporations except in a country where they have fattened at the expense of the producing class of the country. In order to prevent this unfair discrimination, this unfair dumping as it were in order, to wipe out Canadian industries the government have introduced what they think will, even if it is not perfect, at least to a certain extent be effective in removing these grievances. It is quite a simple proposition to any one who is willing to devote the time to it, and is quite within the power of the government to enforce to a considerable extent with the aid of the efficient appraisers and employees that they have in their departments.

I have worked this out in two or three different phases, and I find this result. If a person buys, for instance, $100 worth of goods, on which the duty is 30 per cent, he would pay in all $130 for these goods. If he has a 10 per cent cut from the American dealer and after that pays 30 per cent duty, he pays $27 odd and gets his stuff for $117, or $13 cheaper than he ought to, and our manufacturer has $13 less of protection. If he happens to be found out under the law as it was before yesterday afternoon, he would have to pay 30 per cent protection on the full value of these goods, but having paid on 90 the result would be that they would cost $120 laid down in his establishment. Under the new law, a man buying these goods at $90 would have to pay 30 per cent on the full value, but if he paid the special duty of $10 that would bring up the price he would have to pay to the original $30. This works no hardship to the individual, it takes from the American manufacturers who desire to dump goods into Canada, $10 that otherwise would go into his pocket, and puts it into the treasury of this country. I look forward with a good degree of confidence to the operation of this dumping clause. This clause which we have been informed cannot be understood by ten men in this House, will be understood in Canada within 24 hours after it became law by every manufacturer who is troubled by having his legitimate business interfered with this slaughtering adopted by the people on the other side of the line.

On the coal oil question I am not sufficiently well informed to pretend to speak, but I do not see anything in any of the tariff changes that can be objectionable. The tariff on the contrary contains everything to commend it to the people of this country. I have dealt with the past and the present. What about the future? Our friends opposite desire that we shall establish the American high tariff policy in this country. I, on the other hand, with the members of the Liberal party, do not think that the establishment of that tariff would be in the interests of the people of Canada, and I am not a free trader either, as you must all understand by this time. I am willing to go in for protection if you choose to call it that, so long, as the protection is in the interests of the people of this country, but as my ideas are so much better presented in the language of another man, I shall read them. He says:

> One object then of import duties was to raise revenue for the government. Another object was to develop a nation's home industries, as nearly as possible to the point of producing everything its people required. These have been the two main purposes of tariff laws down to the present time. Few better objects than the second could engage a government's attention so long as wise methods were adhered to. Next in importance to security of life and property is industrial growth, which furnishes supplies for additional people to live upon, and is the chief means of developing character and civilization. The more nearly a nation produces at home every variety of commodity it needs, the more independent it may be, and the better prepared to bear the suspension of its foreign trade by war. Also, the more closely a nation utilizes its varied resources, the wider is the opportunity for choice of occupations, and the higher the devolopment of individual skill.
>
> The greater the variety of industries, the fewer the competitors of each person, and the greater the number of his customers.
>
> When a protective duty on a commodity imported will induce persons to establish its production at home, the public advantage of possessing another industry, to employ labour and capital, and turn untouched raw material into wealth, unquestionably justifies the imposition of the duty if by the tax added to price, and by the stopping of exports that tends to follow stopping of imports, the people are not required to give more for the new industry than it will be worth.

That is the key to the whole situation. We can afford to protect the people of this country, but if we protect them too highly we are paying more for the benefit that will accrue than it will be worth. Have the people of the United States paid too dearly for their prosperity? Have they anything particularly to boast of? We look with

pride at the wonderful development that has taken place in the United States during the past few years, but the development has been one-sided. The rich have been becoming richer and the poor poorer. Just let me read for your information something about the steel corporation: The steel corporation's total capitalization is $1,404,000,000; its net earnings for its first nine months ending November 30, were, $84,779,298, exceeding ten per cent on its stock. The steel corporation supports a million people counting families of employees, controls two-thirds of the American steel industry, owns 115 lake ships, 6 railroads, 80 per cent of the known deposits of Lake Superior iron, 105,000 acres of land in Pennslyvania, and leases 98,000 acres of gas land.

This industry is controled by a few men. Look at the condition of the United States before you attempt to copy their tariff and see what you will find there:

Perhaps the most accurate count of industrial trusts is that of the national census of 1900, from which pools and loose combinations are excluded. A summary of its figures is given by Superintendent Merriam in the 'Atlantic' for March, 1902. The total is 183, with 2,203 plants, and with a capital of $3,569,615,808. Their total output for the census year, $1,661,000,000 shows that they absorb less of the industrial field than is commonly supposed. The total output of all manufacturing (not yet computed) is expected to reach about $13,000,000,000.

Where did these few men get this $3,659,000,000 to put into these trusts? Where did Carnegie get his money, supposed to be worth $1,000,000,000? Was it the result of honest labour? No, it was by taking from the producers of the United States more than was his fair share and that as a result of the introduction of a high tariff. Briefly then, a high tariff bears heavily upon the mass of the people for the benefit of the controllers of these great institutions. It may be said that I exaggerate the conditions in the United States. Well, I do not need to give you my opinion. Let me read you an opinion that you may very well believe in. There is being formed in the United States to-day and they will have their meeting in St. Louis, an organization for the express purpose of inducing the people of Ireland to remain at home and not submit themselves to the conditions as they exist now in that highly protected and prosperous country? What do we find? We find the very first man who expresses an opinion is Cardinal Gibbon, a man in whom we have confidence. He said:

I know under what circumstances people live in America. My advice to the young men and women of Ireland is to endeavour to find a livelihood in their own land. Any man or woman who could eke out a livelihood at home should take my advice and stay there instead of emigrating to America to enter on the keen struggle for existence under trying circumstances that are in progress here.

We are everlastingly hearing about the tremendous development of the United States, of its millionaires, its trusts, its wealth, its development and its trade. We do not hear from the submerged, not the tenth, but the ninetieth that live there. Take for instance the statement of Dr. Ludden, Bishop of Syracuse, who writes as follows.

'All the places are filled, all the offices are occupied, and even a smart young Irishman coming here—an educated Irishman, full of brains and full of ability, full of muscle and full of strength—even he has great difficulty to find a position and if he is to get anything to do it must be in the most menial, common and laborious occupation. If he cannot find this, he has simply to do what we call hang around the saloons and liquour stores and descend in the social scale as low as it is possible for a human being to go. I have seen it and I know it, and hence I would like my voice and my advice to reach every young man in Ireland—if he can possibly find a competence and a decent way of living at home—to remain there.

What does John Redmond say?

I have seen the Irish labourer in the great steel works. I have seen him working like a white slave, stripped almost naked in the furnace, working ten and twelve hours a day and sometimes sixteen hours for a dollar and a half, which in America is a wretched and miserable wage. These men work under conditions which make the duration of their capacity to work for any man ten years, and then they are thrown aside. They scarcely lead the lives of human beings at all; they have no happiness, no recreation, no health, no home life, and too often, as an inevitable consequence, no religion. I say that the poorest man in Kerry is better off in Ireland than these men in America. We must put a stop to our people being deluded and seduced into leaving Ireland to find only in America conditions infinitely worse morally, physically and materially than the poorest in Ireland.

This is the picture that other people paint of the United States and our hon. friends on the other side of the House desire us to establish a tariff in this country that will inevitably have for its end the forming of combinations, the making of multi-millionaires and the sinking of the mass of our people in poverty and misery. If what these bishops and leading men in the Roman Catholic church state represents the true condition of the United States how does it compare with the condition of Canada to-day? Can any one truthfully say that an Irishman working on a farm in Ireland under the conditions that we think they have in that country could come to Canada and find the conditions which exist in the United

States to-day ? They cannot be found. There is not a hamlet in this country where you cannot find work for an Irishman who is honest and industrious and Mr. Redmond and his ecclesiastical friends need not be afraid to send them to Canada because we are living under conditions and under a tariff which will not permit conditions such as those that exist in the United States. A great many workmen are under the impression that a high tariff is of particular advantage to them and that under it they get high wages. It is a most absurd contention. High wages certainly do exist sometimes with a high tariff but low wages also exist where tariffs are high. If high wages in the United States were to be attributed to the tariff, why are wages not equally high in Germany, Russia and if no wages are to be attributed to no tariff at all, why are wages so much higher in England than in Germany or France ? Any man knows that high protection which keeps out competition will give him more work, but anybody of intelligence knows that where there is free trade in labour and a man can sbift from place to place, it is this competition in the labour market that fixes his wage and not the amount of the duty. In this country the men that are getting the highest wages, the bricklayers and the stonemasons, are the men who are not protected at all except through the influence of trades unions and the loyalty that one has for the other.

It is a great mistake for people to suppose that high tariffs better the condition of the working classes. It is true that for years the condition of the working class in the United States has been good, but that was due largely to the fact the country was full of untold wealth. In Canada the conditions are peculiar. There has never been such development in our country as there has during the past seven years under the existing tariff. And while in some high tariff and low tariff countries there are signs of approachng trouble, there is not a shadow of depression visible on the horizon of the Canadian industrial nation. I am more familiar with the conditions in my own city of Brantford, and I know what the results are there. I beg to present to the House the following statement of the employees in the several manufacturing concerns in 1903, as compared with 1896, and the result, is, it will be admitted, most satisfactory :

	Employees in 1896.	Employees in 1903.
Massey-Harris Co....	300	735
Waterous Engine Works.. ..	240	450
Verity Plow Co..	75	400
Wm. Paterson Co..	130	250
Wm. Buck Stove Co..	215	270
Cockshutt Plough Works.. ..	70	250
Goold, Shapley & Muir..	54	235
Schultz Bros. Co..	50	200
Slingsby Mfg. Co..	80	110
Brantford Carriage Co..	100	150
Ham & Nott Co..	25	75
Brantford Starch Works.. ..	40	60
Brantford Box Co..	50	65
Wood Bros..	10	20
Pratt & Letchworth Co.. ..	...	325
Adams Wagon Works...	...	100
Brantford Screw Co..	...	75
Ontario Binder Twine Co.....	...	50
	1,439	3,820

It will be seen that the number of employees in these factories have increased from 1,439 in 1896 to 3,820 in 1903. And the president of the Brantford Board of Trade, speaking with later information says :

In 1902, there were 3,870 employed, while in 1903 this number had risen to 4,570, an increase of 700. In 1902 the wages paid amounted to $1,506,000, while in 1903 they amounted to $1,742,000, an increase of $236,000.

And yet some people say that Canada is not prosperous.

Mr. E. D. SMITH. How many are employed in the Bailey Cutlery Works.

Mr. HEYD. I am very sorry to say there are not many. But when Canada gets big enough to sustain an industry of that kind, such an industry will survive and not till then. There are other reasons which I might give to the hon. gentleman, but I do not need to mention them now. However, here is some information which will be interesting to the hon. gentleman (Mr. Smith). In the Brantford newspapers we find that the following manufacturers want the following number of labourers, and the statement is given of the wages to be paid.

Buck Works :
12 labourers at $1.50 per day.
12 moulders (piece work).
12 stove plate moulders.

Cockshutt Plough Works :
12 labourers at $1.35 per day.
3 blacksmiths at $1.50 to $2.

Verity Works :
20 labourers at $1.35 per day.
2 blacksmiths at $1.50 to $2.
6 hammermen, $2.
12 handymen at $1.40 to $1.75.

Waterous Works :
6 labourers at $1.45.
6 blacksmiths at $2 to $2.50.

Massey-Harris Works :
24 handymen, $1.35 and over.

Schultz Bros. :
12 carpenters, $2 to $2.50.
6 bricklayers, $4.
20 plasterers, $3.50.

Cockshutt Road Company :
15 shovellers, $1.75.
15 cement men.

A summary of the above table shows that the following workmen are required :—

Labourers	50
Moulders	12
Stove platers	12
Blacksmiths	11
Hammer workers	6
Handymen	36
Carpenters	12
Bricklayers	6
Plasterers	20
Shovellers	15
Cement men	15
Total	195

Here we have 195 men advertised for in Brantford, and there is a further advertisement for 100 more men to work on a new railway. And yet they tell us that Canada is not prosperous. Why, the city of Brantford is only a specimen of what is going on all over the country. The same thing is going on in Peterborough, in Hamilton, and in other cities, and it is gong on under the present tarff. These gentlemen opposite told us that twenty per cent was too low a tariff on harvesters. But is was high enough to drive the Deering Company over here to establish a factory in Canada and to invest millions of money and give employment to hundreds of working men. The tariff is big enough to drive one industry after another from the United States over to this country. It is adequate for that purpose. And have we not the statement of the leader of the opposition, that, when he was asked whether or not if the Conservative party came into power they would raise the duty on agricultural implements, his reply was :

I said if it were necessary for the purpose of preserving that great Canadian industry, I would be prepared to raise the duty.

If the industry can be preserved it is not necessary to raise the duty, and the best evidence that it can be preserved is that the Cockshutt Plough Company has enlarged its factory three times in seven years, and that the Verity Plough Company, and Goold, Shapley and Muir have done the same thing, and all of them have largely increased the number of their employees during that seven years. That is a specimen of the development in Canada to-day, and yet some people want to change the tariff under which such things are accomplished, and introduce a high tariff which might bring about the conditions which exist in the United States. I am quite satisfied that when this commission examines into the various industries, the government will be able to revise the tariff once more in the interests of the people of Canada, so that there may be continued to us that prosperity inaugurated seven years ago, under which our people are so happy and so contented. I believe in the tariff changes made by the government so far as I can understand them. I believe these tariff changes will bring about a certain degree of prosperity to the woollen industry, and I am satisfied that those interested in that industry are content with the change. If the announcement of the Finance Minister is carried out, and when that commission investigates the existing conditions, I am satisfied that a tariff suitable to the changed conditions will be given to the people by this government, and that the fiscal legislation of the Liberal party will redound in the future to the welfare and prosperity of the people of Canada, as it has done in the past.

On motion of Mr. Vrooman the debate was adjourned.

On motion of Sir Wilfrid Laurier the House adjourned at 10.55 p.m.

HOUSE OF COMMONS.

THURSDAY, June 9, 1904.

The SPEAKER took the Chair at Three o'clock.

QUESTIONS.

COLD STORAGE AND VENTILATION ON OCEAN STEAMERS.

Mr. E. D. SMITH—by Mr. Taylor—asked :

What was the kind of ventilation, if any, last season, in the compartments in which perishable cargo was stored on the steamers 'Livonia,' 'Tritonia' and 'Devona'; and was the system in proper working order in each such compartment when these steamers left the port of Montreal ?

Hon. SYDNEY FISHER (Minister of Agriculture).

SS. 'Livonia.'

This vessel did not carry perishable cargo from the Port of Montreal last season.

SS. 'Tritonia.'

No. 1 'tween decks. two 24 inch cowl ventilators; one 11 inch ditto; and one 36 inch ventilator with steam driven propeller fan.

Nos. 2 and 3 'tween decks: one 24 inch cowl ventilator; one 24 inch ventilator with steam driven propellor fan; and one 36 inch ventilator with steam driven propellor fan.

No. 1 orlop deck: three 12 inch cowl ventilators; and one 14 inch ventilator with steam driven fan.

No. 1 hold: 2 intakes and 1 outtake.
No. 2 hold: 2 intakes and 2 outtakes.
No. 3 hold: 2 intakes and 1 outtake.
No. 4 hold: 1 intake and 1 outtake.
No. 5 hold: 1 intake and 1 outtake.

SS. 'Devona.'

On this vessel the cold storage and cooled air compartments occupied all the space in the 'tween decks. The holds were ventil-

ated by two steam driven propellor fans, by ten cowl ventilators, and by three trunk ventilators.

The system of ventilation in the steamship 'Tritonia' and steamship 'Devona' was on proper working order when these steamers left the port of Montreal.

LORD DUNDONALD'S SPEECH.

Mr. W. S. MACLAREN (Huntingdon). Mr. Speaker, before the Orders of the Day are called, I would like to draw the attention of the House to an article that appears in the Ottawa 'Citizen' of yesterday. The article is not very long and I will read it to the House. It is as follows :

A MILITARY SENSATION.

Lord Dundonald's Speech at Windsor Banquet.

Deplores the interference of politicians with the appointments to the Canadian volunteer force—The condition, he says, is intolerable.

Toronto, June 7.—The 'World' this morning publishes the following sensational story under an Ottawa date :—

A Montreal officer who was present at the military dinner at the Windsor Saturday, stated here to-day that Lord Dundonald's sensational speech, although carefully written out and intended for publication, had been carefully suppressed by the Montreal newspapers. This is what the general said :

When a nation is in peril the commanding officer had the supreme control of the military appointments, and he is responsible to his country for its efficiency in war. In time of peace, unhappily, through political intriguers, we are in their web, and appointments are made without regard to military efficiency and to the great peril of the nation's safety. Officers in command of the forces of this country should not be selected because of their particular politics, but unfortunately this is the case.

A most flagrant instance of political interference has recently come before me in connection with the appointment of officers in the new eastern townships cavalry regiment, the Scottish Light Dragoons. The commanding officer of the corps had selected officers because of their apparent fitness from a military point of view. The names reached me and were sent to council, and gentlemen, what do you think happened ? The list having my approval was returned with the name of one officer stricken off, and initialed by the Minister of Agriculture.

The gentleman whose name was stricken from the list was Dr. Pickell, the mayor of Sweetsburg, and warden of the county of Missisquoi, a man chosen of the people and well qualified to serve his King and country. His political colour was not, however, that of the Minister of Agriculture, and consequently he was not considered fit to serve his King in the military force of Canada.

'If,' said Lord Dundonald, 'the Hon. Sydney Fisher has been as well versed in soldiering as in agriculture, he would have better understood the responsibilities of officers, and this would not have happened.'

Mr. FISHER.

After making a few more remarks, the general said : 'It is intolerable that my recommendations, made in the best interests of the force, should be so grossly interfered with by any minister, not connected with the department.

Lord Dundonald's speech was greeted with tremendous applause.

Lt.-Col. Whibbard also made a speech in which he endeavoured to shield the Minister of Agriculture, saying that it was difficult to suppose that Hon. Mr. Fisher would be guilty of such an act.

It goes without saying that the speech is the talk of both Ottawa and Montreal.

The question I would like to ask is as to whether the government is aware of this article which is published in the 'Citizen.' It is a very serious matter and I think requires some explanation.

Right Hon. Sir WILFRID LAURIER (Prime Minister). Mr. Speaker, I have to inform my hon. friend from Huntingdon (Mr. Maclaren) and the House as well that the government's attention has been called to the reported speech of Lord Dundonald. The matter is a very grave one and I have only to say that to-morrow the government will be prepared to make a communication to the House upon it.

Mr. SAM. HUGHES. Why not on Monday ?

Sir WILFRID LAURIER. In answer to the question just put to me by my hon. friend from North Victoria (Mr. Hughes) why this matter should not be postponed until Monday instead of to-morrow, I would say to my hon. friend that my hon. friend the Minister of Agriculture (Mr. Fisher) is under a very serious misapprehension and stricture, and I think it is better that the matter should be cleared up at the earliest possible moment.

CANADIAN FISHING REGULATIONS.

Mr. GEORGE TAYLOR. Before the Orders of the Day are called perhaps the hon. Minister of Marine and Fisheries (Mr. Préfontaine) will make the announcement that he promised to make to the House.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). I received the statement which I intend to lay on the table of the House, but it was too late to submit to my colleagues and I will submit it to the House to-morrew.

WAYS AND MEANS—THE BUDGET.

The House resumed adjourned debate on the proposed motion of Mr. Fielding :

That the Speaker do now leave the chair, for the House to go into commitee to consider of the ways and means for raising the supply to be granted to His Majesty.

Mr. E. B. OSLER (West Toronto). Mr. Speaker, I do not propose to detain the

House very long and I do not propose to weary it with long arrays of figures. The question of figures and statistics has been dealt with by the hon. Minister of Finance (Mr. Fielding) and by the hon. gentlemen who have spoken from this side of the House. I propose to deal more generally with the question. The right hon. Minister of Trade and Commerce (Sir Richard Cartwright) made a very charming speech. It gave great pleasure to the members on his own side of the House ; and we do not begrudge them that, because it is seldom they have had an occasion since this session opened to indulge in a little fun or a little laughter. They had some justification for their mirth yesterday, because the figures with regard to our manufacturing industries quoted by the Minister of Trade and Commerce were amusing if they were not correct. The Minister of Trade and Commerce told us that the statement of the Finance Minister, in which he was able to boast of continuous prosperity, must have been gall and wormwood to the members of the opposition. Let me tell the Minister of Trade and Commerce that he is mistaken there. No matter what party may be in power, the Conservatives of Canada will always be gratified when a Finance Minister in his budget speech is able to present indications that Canada is prosperous, even though mismanaged. The Minister of Trade and Commerce evidently cannot conceive that other men have loftier and more patriotic views than he entertains. The hon. gentleman inferentially took credit to the government that the farmers of Canada are more prosperous to-day than they were some years ago. Let me call his attention to the fact that in the states of the union which some years ago he so ably represented as immigrant agent, in Kansas, the Dakotas and thewestern states generelly, the farmers were in an infinitely more depressed condition than ever were the farmers in any part of Canada. During some years of prosperity the farmers in these states recovered their position, and so keenly did they rejoice at their translation from commercial slavery to freedom, that they made bonfires of the mortgages which they had redeemed and which at one time they thought must swamp them. Providence has sent to these states a bounteous harvest for several years in succession, and as the farmers of Canada have had the same experience of late years they are prosperous in a degree. The Minister of Finance presented a budget which was eminently satisfactory from several points of view. He was able to speak of large revenues, increasing deposits in the banks, progressive trade, and he took credit for that to the wise administration of himself and his colleagues. Well, Sir, the reason of this prosperity is that we have had good crops, higher prices for our produce, and greater areas of virgin soil brought under cultivation ; thus presenting to our people new sources of wealth which we trust will be of advantage to our country for many years to come. The budget was more remarkable for what it omitted than for what it contained. The Minister of Finance presented a diagram, presumably to show the progress Canada has made since confederation ; but that diagram was remarkable for the omission of any indication as to the imports by Canada from the United States. It is a most extraordinary thing that the Minister of Finance should deliberately suppress the one part of that diagram which the government wished the country to be ignorant of. I do not think the Minister of Finance realized what he was doing when he deliberately placed before the country a diagram purporting to show the progress of every branch of our trade, and omitted to show our trade with our most important and largest customer, the United States. Another omission which is unprecedented is that the Minister of Finance made no reference whatever to the anticipated revenue and expenditure for the coming year. I presume we may take it for granted that there is an election to be held before next session, and that the Minister of Finance did not want to bring forward any estimate which might be found to be fallacious. There was another very extraordinary omission from the budget speech. This government has committed the country to an expenditure for the Grand Trunk Pacific Railway of anywhere between $120,000,000 and $170,000,000, adding 50 per cent to our national debt, and yet the Minister of Finance had not a word to say as to how this money would be raised or as to what effect the scheme will have on our future revenue and expenditure. These omissions were apparently made after great thought and deliberation, and evidently with the view of misleading the country. The election is near ; these figures would not be pleasant reading for government supporters in the political campaign, and so they are hidden from the people. The Minister of Finance claims that the debt of this country has not been increased during the eight years this government has been in power. That may be true if we take as gospel the system of book-keeping which the Finance Minister has adopted, but even according to the minister's own figures he shows that this government has taken an increased taxation from the people of $57,800,000 as compared with the revenue under the Conservative government in like period, and yet the Liberal government has only reduced the debt by $1,084,000. I would point out that the Minister of Finance takes credit on revenue account, for payments on account of public lands to the extent of $1,695,000, an item which surely should be credited to capital account, because we are using up the capital in our lands, and by no possible argument could this be credited on the revenue side of the

account. The erroneous and false method of book-keeping which the Minister of Finance has adopted, is an imitation of the vicious principle which has been followed by the Ontario government and I think by some other provincial governments.

They are crediting year by year to revenue account the money which they derive from sales of timber lands, amounting to enormous sums. They are making no provision to replace the capital which is exhausted from year to year; and as time goes on this, instead of being an asset, will turn into a liability. The exports from Canada to the United States in 1896 were $44,448,000, in 1903 $71,783,000, an increase of $27,000,000. Our imports in 1896 were $58,570,000 and in 1903, $137,000,000. The Minister of Trade and Commerce, while not very sure about it, stated that it was probably a beneficial thing for the imports and exports of a country to be about an even keel; which is the same as saying that a man who has $1,000 a year and spends the whole of it is about as well off as he would be if he spent only $750 and saved $250 for a rainy day. I find that the products of the forest exported from this country in 1903 amounted to $36,000,000. If we take the value of that timber in the stump, or the capital value belonging to this country, we find that we drew upon our capital last year to the extent of over $7,000,000, which went to swell the exports of the country and to diminish our assets. The expenditure in a growing country is naturally an increasing one, and I would not for a moment suggest that the expenditure to-day should be on the same plane as it was in 1896. But what I do claim is that the expenditure has gone up by leaps and bounds, that it is far in excess of the requirements of the country, and that it has not been caused by necessary works or proper development, but largely by extravagant expenditure and expenditure on useless works. All the work done by this government has been done at a cost vastly in excess of the cost under Conservative rule, while allowing for any increase in wages that may have occurred since 1896. I need only give one instance, that is the cost of taking the census. Any one comparing the cost of that service in 1901 and in 1891 will see at a glance that the extravagance there has been utterly reckless and uncalled for. The government have had at their disposal, without increasing the debt of the country, over $57,000,000. What have they done with it or what have they done for it? They promised us before they came into power that they would give us a fast Atlantic service; they promised vastly improved navigation on the St. Lawrence and on the great lakes. They have spent some money on the St. Lawrence, but the navigation has not been improved, as is evident from the increasing number of wrecks. On the great lakes I think I may safely say that nothing has been done since 1896 to render navigation safer. I do not know of half a dozen lighthouses erected since 1896 on the coasts of the great lakes, where the business is so enormous that we almost wonder where it comes from. If you take a marine map of the United States coast, which also includes our coast, showing the lighthouse stations on the American coast, and then look at what we have, every Canadian should be ashamed of the negligence that has been displayed by Canada in this matter. I know that within the last three weeks vessels coming down and overtaken by fogs have been delayed for days on the coast because of the lack of foghorns and lights. It is claimed by the Finance Minister that the debt of this country has not been increased, but that the debt per head has decreased. The debt per head in 1896 was $49.08; now it is $46.69, a reduction of $2.39 per head; but the debt is spread over a larger number of people, which makes it smaller per head. The rate of taxation in 1896 was $5.46 per head; now it is $8.87, or an increase of $3.41 per head, not on the old population on which the debt was figured, but on the increased population, showing the increased taxes per head to be more than the reduction of the debt per head for the whole eight years. Now there is no question that our trade is increasing. Our trade ought to increase. We have a vast area of virgin soil, we have enormous natural resources, and we only require to delve into these from year to year to increase our wealth, without reference to any government, good or bad. But a good government ought to so develop our natural resources and bring them before the people that wealth shall be obtained from them at the lowest possible cost and to the advantage of the greatest number of people. But I claim that the government have been absolutely neglectful of this vast natural wealth. Since 1896, when we were just beginning to realize what we had in this country, the government had taken over $57,000,000 out of the people, and what have they done to show to the people what our natural wealth is? The only item in the whole list of expenditures that shows a decrease is the geological survey. I contend this government would have been wise, and and it would have had the support of every one on this side of the House, had it taken a sum going into the millions, to find out for the people of this country, in detail as far as possible, the extent of our natural resources, and the best way to utilize them. This government have not taken one single step towards that end. We have in this country great water-powers, vast timber resources, and immense deposits of minerals. We do not know any more about a great part of this country than we did two hundred years ago, as we found when the Grand Trunk Pacific Bill and its mountains of information were laid on this table. From Nipigon for hundreds of miles to the east we have only the reports of a few

surveyors and prospectors, who went up and down the rivers. We have no cross surveys and no adequate knowledge of the country. I contend that the first duty of the government, when it came into power. and knowing the strides which this country was making, was to have devoted a large sum of money each year to a systematic exploration of our country from the Atlantic to the Pacific, so that we should have at least some little preliminary knowledge of what we own. We would then have been able to deal intelligently with any scheme that was presented to this House.

People anxious to invest would be able to know where to go with the prospect of finding what they wanted, and we would be in a position to ascertain, to some extent at all events, the value of our national heritage. We are as ignorant of that to-day practically as we were thirty years ago. If England is anxious about her coal supply and is appointing commissions to inquire into the question, and if England put on an export duty on coal to prevent her natural resources in that commodity being depleted, is it not equally the duty of this government to try and arrive at some idea of our natural resources ? We are depleting our timber at a rate which no one in Canada realizes. It is quite true that this timber is more or less under the control of the different provinces, but surely it is in the interests of the country at large that this government should suggest the taking of some steps in order to reach an agreement among the provinces on some plan for the reforestering of the immense tracts which are now being laid bare. The greatest wealth Canada possesses is being exhausted and without our getting practically any return compared with the enormous value we are losing. Although this matter comes not directly under the control of this parliament, surely it is something concerning which this parliament might well take steps to initiate some policy or have some policy adopted by the provinces. If England is anxious about her coal, is it not time that we should be anxious about our timber ? In the United States their timber wealth has been enormously reduced, and the different States of the Union are beginning to realize that the greatest mistake they ever made was in not replanting the forests which were cut down. In the old world one of the most important branches of every government is the preservation of its timber resources, and the cutting of timber is there regarded as almost a sacred thing. That will be the case some day in this country, but the longer you put off dealing with the question, the greater will be our loss.

Mr. WRIGHT. Suppose we undertook to reforest the province of Ontario, would not the timber become the property of that province, and we would incur all the expense ?

Mr. OSLER. I thought I had made myself plain. I said that the timber belongs to the provinces but that nevertheless the question is so important that I think this government ought to bring it to the notice of the different provinces and endeavour to have some general plan adopted for the preservation of our forests. While the timber lands belong to the provinces, the provinces belong to this country. Our statistics are made up largely of the exports of the natural products of the different provinces, and our Finance Minister takes credit for these in his budget speech.

We have another asset, which is practically in the same condition as our timber, and that is our water-powers. If by any good luck, the government's scheme of railways to the north should be successful, if the country there is what hon. gentlemen opposite have painted it, the water-powers ought to be the most valuable asset in that whole territory. And surely if the government are prepared to spend $150,000,000 in developing that country, it is their duty to take some steps to have that enormously valuable asset, our water-powers, preserved. Yet not a single step has been taken by the government or any province to see that in some way and at some time our water-powers shall enure to the benefit of the state and not to that of private corporations, who are getting these powers all over the country at practically no cost. If our country were mapped out from the Atlantic to the Pacific and from the boundary line to the north, and if we had reliable reports to publish to the world showing what there is in this country, you would thereby give a greater incentive to immigration and the investment of capital than you could by any other means. Foreign capitalists, while they know in a general way that Canada has great natural resources are absolutely ignorant where to go and look for any particular branch which they are prepared to develop, and no one can give them any information except private parties who are probably trying to land something upon them at a big price which they have obtained from the government for nothing.

The Minister of Finance has told us that depression exists or at all events is looming up in the United States, the most highly protected nation on the globe, and inferentially assumed that it would not come to a country which is not so highly protected. It is quite true that no system of finance that could be devised would prevent the recurrence of periods of depression and prosperity. The United States are very highly protected, and the result is that when the pendulum swings with a great swing in the years of prosperity, every manufacturing industry is expanded to its utmost limit, and that limit is reached just when prosperity is at its highest. What follows ? Almost immediately there is a feeling about for an outside market and the process of dumping

begins. That process is carried on until the manufacturers regain their level, after perhaps some years, and we, as being the nearest neighbours, suffer to the greatest extent. That will always happen so long as we have to the south a nation vastly larger than ours. The manufacturers of Canada are fairly prosperous. Two years ago they were prosperous. Last year they were doing fairly well. This year I am bound to say that in three cases out of five they are just making ends meet, and there is no profit. If things continue another year, in the majority of cases the large manufacturers will be running their establishments at a loss.

The policy of this country, surely, should be to realize this and to have what we might call a fixed policy, not a vacillating policy, one that changes with every change of prosperity among our neighbours to the south of us, a policy that provides for contingencies, and as far as possible protects our manufacturers, giving them at all events their home market to the extent that that can be done. Now, we have a very striking illustration of what I mean in connection with one of our largest manufacturing industries, the woollen trade. It was very seriously affected by the preferential tariff. That tariff I contend was a mistake, although the Minister of Finance said that it was hailed by both sides. My contention is that the preference should have been given for a return preference from the other side. Had we kept that in view, and were we now in a position to say to Great Britain : We will give you a preference in consideration of your giving us a preference—Mr. Chamberlain's hands would have been strengthened and he would have been making much greater progress in winning the country to his side, though I believe his ideas will prevail in a short time. We have weakened him materially by giving away for nothing what we ought to have exchanged with our friends on the other side on equal terms. The government saw, three or four years ago, that the preferential tariff bore especially hard upon one of our large industries, the woollen industry. The year before last this grumbling grew to a rumbling, and last year to a mighty thundering; and this year, the catastrophe arrived and the largest woollen industry in Canada closed down. During the season the Finance Minister, discussing that very branch of industry, hinted to the hon. member for Centre Toronto (Mr. Brock) that he, as representative of one of the largest companies, was closing down his mills for political effect. When these mills were closed the government were up against the fact that a million of capital had been wiped out and hundreds, perhaps thousands, of artisans were thrown out of employment and were leaving the country. Not till then—too late to save that capital and to keep these people in our country—the government come down with an amended tariff, though they ought to have known, if they had had an inkling of the opinion of the country or any knowledge of what was going on in the country, that the woollen mills were going to destruction if they kept their tariff in force. They have repented too late ; and I hope they will be severely punished for their long persistence in this sin at all events. Outside of this, the principal item of the proposed amendments to the tariff is the change in the coal oil duty. While not professing to be very well up in the technical details of that industry or able to judge how the tariff will effect one part or another, I venture to say that the change in the tariff which the government have proposed and brought about will have the effect of placing the last remaining wells, and the last native coal oil industries that are owned in Canada, in the hands of the Standard Oil Company. If it were possible to suggest to my friends on the government side a source of campaign funds which they do not already know about, I would tell them that there is no industry upon this continent that has any connection with Canada that can afford to subscribe to their campaign funds in the next election so generously as the Standard Oil Company. We already see how skilfully this change in tariff is being worked. Standard Oil agents in all the towns and villages are advertising : 'In consequence of the change in the tariff, coal oil will be reduced 2½ cents per gallon ; come and buy.' That will continue just so long as it suits the Standard Oil Company, or until they can control the balance of the Canadian oil industry. That will not be a very long time. Then, Mr. Speaker, before many months, after next election, you will find that—without any advertisements in the newspaper—the agents of the Standard Oil Company will put up oil half a cent or a cent at a time until the people of Canada will be bled to an enormous extent.

Mr. HEYD. Nonsense.

Mr. OSLER. We shall see. If the hon. member (Mr. Heyd) will watch the trend of affairs, he will find the same result follow as has followed the abolition of the duties on binder twine, barbed wire, and these other things that are controlled by great monopolies in the country to the south of us.

Mr. HEYD. What is to prevent the dealer in coal oil at any time going to the United States and ordering coal oil to be imported subject to a duty of 2½ cents per gallon, if the Standard Oil Company unreasonably raise prices here ?

Mr. OSLER. I am sure the hon. gentleman (Mr. Heyd) is not serious. Now, there is one principle which, I think, is accepted by political economists without exception ; and that is, that if there is to be a tariff, that tariff should be as simple as it is pos-

sible to make it ; it should be so plain that there need be no difficulty in interpreting it, and so simple that it may be brought into effect with as little friction as possible and as little difficulty to both importer and seller. But this extraordinary, bungling tariff that the Minister of Finance has submitted is so complicated that, I will be bound to say, it will have to be changed before the next session. It is almost impossible to define any articles under that tariff. Some importer, let us say, calls the attention of the government to the fact that a certain article is being brought in at a slaughter price. The government have to find out what the market price of that article really is. It may be an article the price of which may suddenly and greatly change, as for instance rails or some other iron product, the fall in the price of which according to our experience may be from twenty to forty per cent within three weeks. In such a case the government will be absolutely unable to deal with the question in such a fashion as to do justice to the parties. This change puts in the hands of the government an arbitrary power, it even puts in the hands of the officials of the government an arbitrary power, to help their friends and put obstacles in the way of men who do not agree with them, this difficulty being a clear, gratuitous addition to the ordinary difficulties there are in every case in the carrying out of the details of a tariff policy. The government have, we contend, increased the expenditure of this country without giving value for the money which they have taken out of the pockets of the people. They have not spent money in developing the country in the manner which they promised and which the country would support. They have not taken as efficient steps as they should have taken to ascertain the value of our natural heritage, and they are allowing that heritage to go to waste because of the lack of information. The government have not given adequate protection, they have not given the protection which is due to the men who have put their money into manufacturing enterprises in this country. They are dealing with these industries from time to time as it may suit them, or as the necessity of the case may be forced upon them, and in that way they are destroying the confidence of the people in the stability of our tariff and the safety of investing money in our enterprises. They resort to any means or any scheme by which they will be able to say : This is not protection. They have resorted to the worst form of protection, that is the bounty. Two years ago, I think it was, they proposed an enormous bounty on our steel, which would affect principally the works in Nova Scotia. The result was a great rush of speculation, an unhealthy development, which caused a great loss to the people of Canada and the necessity of a reorganization. Proper protection would not have brought that about. In addition to this the government say that bounties are a capital expenditure.

I do not intend to occupy the time of the House longer, but I wish to say a word to show the difference between the two parties. The policy of the government is one of vacillation, of taking advantage of the condition of affairs from day to day, of advocating one policy in one place and at one time and another policy at another place and another time, as it may suit the people whom they address. They have not realized that in this country the first necessity is to have a fixed policy so that every man who runs may read, and every man who goes into business may know that he is protected and that he is entering that business under certain conditions. Another difference between the two parties is that the Conservative party have always believed in the future of their country. The gentlemen who are now in power, more especially the men who spoke so eloquently and so enthusiastically yesterday, never believed in their country in times of depression, and did all in their power to belittle this country and to destroy its credit, by writing letters to the 'Economist,' to the public press, by advising our men to leave this country—they did all in their power when this country was undergoing a period of depression to belittle it and, in a measure, to throw dirt on it. The Conservatives to-day are as delighted, as proud of the prosperity of this country as any member on the other side of the House, and I say further that if it should be the misfortune of this country to again drift into a period of depression, no man on this side of the House will be found throwing dirt at the country or decrying its future. The Conservative party have always had, have to-day and will always have, confidence in the country, whether in prosperity or in adversity.

Mr. A. T. THOMPSON (Haldimand). Mr. Speaker, I shall not attempt to discuss all the points made by the hon. gentleman who has just taken his seat (Mr. Osler), but I may perhaps be excused for dealing with a few of them before proceeding with the discussion as I had intended. The hon. gentleman (Mr. Osler) argued that inasmuch as we exported from this country last year lumber which, upon the stump, would have been worth seven millions of dollars, we had thereby, so to speak, exhausted the capital or the assets of this country to that extent. I noticed that, later on, the same gentleman thought that we had not expended sufficient sums in geological surveys of this country for the purpose, I suppose, of ascertaining its mineral and other resources, in order that these might be exploited. Does not the hon. gentleman see that so long as these minerals remain in the land and are not shipped out of Canada, we are not exhausting the assets of Canada ? Does the hon. gentleman not see the danger of his argument in calling for the exploitation of

these natural riches ? If we are losing Canadian wealth in sending our fine timber out of the country, then in like measure we are exhausting her wealth by shipping minerals out of the country. Sir, this is simply to reduce that argument to an absurdity. The fact is, that if we export that timber from this country and get back money return for it, either money or something equally valuable in kind, that money increases the capital of this country, and we are thereby enabled to develop those same mineral resources about which the hon. gentleman has so much anxiety. Then what about the growth of our forests ? I have been told that there are already in existence in Canada limits on which the lumbermen are now beginning their second cut after thirty years' of cutting upon them. I had a most interesting conversation with one of the gentlemen chiefly interested in the question of forestry in the province of Ontario. He told me, Sir—and he is a man of standing—that after careful consideration he was forced to the conclusion that we had in Ontario alone an area of land which, if given over to forestry, and for that it is only fit, would be sufficient to produce in actual growth several million dollars' worth of timber every year. The hon. gentleman (Mr. Osler) went on to say that we should take pains to preserve this enormous wealth and go carefully into the matter of reforestry. I would tell that hon. gentleman that the provincial government in Ontario, with which perhaps I am somewhat intimately acquainted, has initiated a policy of reforestry which it is constantly expanding. What about the national parks and forest reserves which have been set apart for the preservation of the timber ? What about our forest rangers, whose duty it is to prevent fire among our timber ? What about the recent resolution of the Forestry Association asking this government to see to it that when the new road is built precautions shall be taken to prevent the destruction of forest wealth, so that after the districts have been cut over, the timber may be cut again after some years ? I think the hon. junior member for West Toronto (Mr. Osler) is worrying himself needlessly about the destruction of our assets so far as they consist in the timber wealth of this country. He said, too—and I was surprised at the hon. gentleman when he said it—that the Liberals had expended more money on the public works of this country, in proportion to the amount of public work done, than the Conservatives had done. The public works, service for service, had cost them more. Why not ? As I understand, the hon. member for West Toronto (Mr. Osler) is one of the chief managers of that great corporation, the Canadian Pacific Railway. Surely he must know that that railway has to pay more to its wage-earners than it did when the Conservatives were in power. Surely he must know that for materials and labour that railway has to pay more than when the Conservatives were in power. The prices of both labour and materials have gone up, and to advance the argument that the government is extravagant simply because public works cost more, service for service, than in the days when the Conservative government was in power, is a method of argument which surprises me, coming, as it does, from a gentleman who occupies so conspicuous a place in the financial world of Canada.

Why, Sir, he put a question which I did not intend to answer so soon, but I will do so now. He said that the Liberal surpluses amounted to $57,000,000, and he asked : What have you to show for this immense amount of money ? I will give the hon. gentleman some of the items. We have spent on the public works of Canada $6,445,766, and of that $2,638,311 was spent upon improving the navigation of the St. Lawrence, between the ports of Montreal and Quebec. We have spent upon the Montreal harbour itself $503,535, we have spent upon the harbour of port Colborne $447,440, we have spent on the St. Andrew's rapids $94,350, on the Lévis graving dock $96,590, and on the St. Lawrence canals $18,394,220 ; and yet the hon. gentleman, patriotic Canadian, as I believe him to be——

Some hon. MEMBERS. No, no.

Mr. A. T. THOMPSON. I maintain that the hon. gentleman is a patriotic Canadian.

Some hon. MEMBERS. No, no.

Mr. A. T. THOMPSON. Yes ; and yet he puts the question : What have we done with this money? He goes on to say that we have done practically nothing to improve the water-ways of Canada—a pretty advertisement for us in the old country, where the hon. gentleman is known ; a pretty encouragement to the commerce along the St. Lawrence, which we are all anxious to increase. Yet we have this absolutely unfounded statement in reference to the improvement of that water-way given to the House here. We have spent on the Yukon $1,940,310 of this surplus, and most of that has come back from that same Yukon. On the Ottawa government buildings largely occasioned by the fire, and even hon. gentlemen opposite will freely acquit us of responsibility for that fire, we have spent $457,574. We have spent on the Halifax garrison $2,834,516, and as loyal Canadians and British subjects there is no man amongst us who will cavil at that. The hon. gentleman may ask : What have we to show for that expenditure upon the Halifax garrison ? It is disbanded, the men have returned to their homes, it is true ; but we have to show as a result of that expenditure a record of loyalty which Canada may well be proud of. I maintain that this has been an expenditure which has brought us more in the way of advertising in the old country, if we wish

to come down to such a common cash nexus as that, than every dollar of that expenditure which was made at Halifax. We have spent on railway subsidies $11,828,321. The hon. gentleman surely will not cavil at railway subsidies. Possibly he may do so at these particular subsidies, but in the old days I think his voice was silent, as far as protests went, against railway subsidies. I maintain that by the granting of these subsidies we have opened up vast new territories in which have been established thousands of new homesteads in Canada. We have spent for railway subsidies nearly $12,000,000 really, and this shows where some more of the $57,000,000 of surplus has gone. We have spent on iron and steel bounties $2,199,342 ; on Dominion lands, $1,659,040 ; and on militia, $2,402,171. Mr. Speaker, I dare not enlarge upon the question of the militia, because it is now ten minutes after four, and at six o'clock I presume you will leave the chair. I shall leave the subject over, for, once I had entered upon it, I believe I would exhaust the balance of my time ; and if I had any comment to offer, it would be, not that this expenditure has been too much, but that it has been perhaps a great deal too little. Next, on Manitoba school lands grant we have spent $267,029 ; on consolidated fund, transfer and discount, and expenses of loan of 1897, $1,847,908 ; and on government railways, in raising the Intercolonial Railway from a condition which was not much better than that of a tan-bark road to one of the best equipped and best served railways on this continent, in promoting the efficiency of that road and increasing its mileage from Lévis to Montreal, we have spent $16,974,203. For the expenditure of this money we have no apology whatever to offer. I have not only accounted for the $57,000,000 in regard to which the hon. gentleman asked the question as to what had become of the money, but if he will add these totals up he will find that I have accounted for $69,392,315 instead of the $57,000,000. But he says more ; he says that the per capita reduction of debt is not very creditable to this government. For the life of me, I cannot see what would be more satisfactory than that. If I owed some creditor a thousand dollars and some solvent man came along and offered to share that with me, and thereby reduce the debt which I had to pay to $500, in consequence I would consider myself very much better off than I was before. The very same argument may as well apply to Dominion finances as to private finances. We have a debt of a certain sum, but if more people are here to share the burden, the burden is less. Although the debt may not be greatly reduced, we are all glad to know that it is somewhat reduced. Still, if the people who are now here to share this debt are greater in number this fact goes to increase the expenditure of this government to provide for the necessities which they have as citizens of this country. My hon. friend said another thing which struck me with some surprise, and it was that we did not know very much more about Canada to-day than we did 200 years ago. It was only in 1757, which is much less than 200 years ago, that that great man Voltaire, the wise Voltaire, the learned Voltaire, in writing to M. de Moncrif, made the remark that it was a pity indeed that men in the old world should be killing one another because of a few acres of snow. His reference was to Canada. The great Voltaire knew so much of Canada as to describe it as a few acres of snow in those days, and yet this hon. gentleman says that we know little more about Canada to-day than we did 200 years ago. I think we know what our area is, what our resources are, at least we are beginning partially to understand, we know that we have the greatest unoccupied area of agricultural land in the world, we know its immense fertility, we know that we have thousands and tens of thousands of miles of the richest agricultural land in the world, we know that we have the greatest timber forests in the world, we know that we have mineral resources, that they are immense, although as yet very largely unexplored, we know that we have fisheries which need take second place to none ; and yet the hon. gentleman has said that in many respects we know little more about Canada than we did 200 years ago, when all we knew of it was that there were some Indians here, who, for a very inferior brand of whisky, would turn over certain valuable furs. I do not know that it would be eminently profitable to further follow the argument of the hon. gentleman. There are certain hon. members on this side of the House who have made a special study of that hon. gentleman. I am not an expert on the hon. junior member for West Toronto. I am sure that he and I are personally extremely good friends, and I shall turn him over to the tender mercies of those experts who, in the course of further debate, may find it to their advantage to deal with the subsequent portion of the hon. gentleman's remarks. But I will take up one more of his utterances as the foundation for the balance of the remarks which I propose to make, and that is that the expenditures of this government have been extravagant. I wonder if I have discovered—I almost doubt it—the literary author of 'Leaflet Number 15,' of that delightful Conservative literature now emanating in such large quantities from the press of this country. It reads as follows. I think this is a production which should be embalmed in 'Hansard' :

> Millions on Millions of the People's money thrown to 'Grafters' with a lavish hand.
>
> The 1903 session of parliament broke the record for reckless extravagance.

To raise election funds, the Liberal government poured out the people's money into the grafters' 'barrels' like water.

Read for yourself the official statement of the enormous votes the government forced through parliament last session, in spite of the strenuous protests of the opposition.

Then follow in detail the main estimates, and the supplementary estimates of 1903 and 1904, not confining it to one year. Then we are given the bounties on iron and steel, the bounties on lead, the railway subsidies, and they charge up $120,000,000 for the Grand Trunk Pacific Railway as being voted last session. There is set down $10,000,000 for the Canadian Northern subsidy and $150,000 for bridges in Quebec. The whole of the Quebec bridge is given as voted last session, amounting to $6,678,200, as well as the guarantee of the Grand Trunk Pacific of $31,000,000. And they make a grand total of—what do you think? Two hundred and fifty-six million dollars that we voted here last session. Then they go on to say in this document:

Remember that the Liberals used to denounce an annual expenditure of $38,000,000 as excessive——

An annual expenditure, Mr. Speaker. Then this so called vote, which was not a vote at all, is now reduced to annual expenditure, and they compare this vote so called, which I repeat was never voted, to their expenditure of $38,000,000, and this pamphlet continues:

—and promised to reduce the expenditure by from $2,000,000 to $7,000,000 per year. That is the way they have kept their promises. If you approve this voting $256,000,000 of your money in seven months——

I wonder how much more would have been voted if the session had lasted for twelve months.

—you will keep the present government in power; if not you will put in the Conservatives who protested against it.

Sir, I fancy that this veracious document should run through many editions. I can picture almost what the second edition will be after this session. The first edition I have read to you; the second edition will surely run somewhat as follows: 'Millions upon millions; the people's money poured forth in an increasing stream.' Then they will go on to say: Inasmuch as we have had the Grand Trunk Pacific over again this session there is $171,000,000 voted for the Grand Trunk (since that was the estimate of the leader of the opposition). They will add supplementary estimates of one or two or even three years if necessary; they will add capital expenditure and consolidated fund, and at the end of it all they will say: 'Why, these Grits voted $256,000,000 last year; they voted $250,000,000 this year; they voted over $500,000,000 in the two years, and in two years more at the same average they will have voted a billion dollars of your money; people of Canada think of where you are drifting; do you see your finish? Such, Sir, I fancy will be their second edition of pamphlet No. 15.

Mr. LOGAN. An édition de luxe.

Mr. A. T. THOMPSON. Some gentleman says it is an édition de luxe; I hope I have suggested a reductio ad absurdum. I would pass away from this subject interesting though it may be, and I come to the budget speech so ably presented by the Minister of Finance. I may say that so far as the county of Haldimand is concerned, an agricultural county in the main, I believe that the changes in the tariff announced by the Finance Minister will be eminently satisfactory. I know that the reduction of the duty on coal oil will be a satisfaction to the people there, because they have been asking for it for years past. I was somewhat surprised to find that the hon. member for West Toronto (Mr. Osler) is opposed to the reduction of the coal oil duties, but then he lives in a city where they illuminate their houses with electric light and gas, and he has little sympathy for those of us in the country who have to depend on tallow dips or coal oil. The prohibition of the importation of inferior animals will be welcomed by the farmers of this country, because if there is one thing which the Canadian farmer wishes more than another it is improvement in our herds, and the announcement of the Finance Minister in this respect tells of a movement in that direction. The free importation of animals to improve breeding,—even including the goats about which certain unsympathetic remarks have been made—is also a move in the right direction, as is also the free importation of ferment cultures for butter making.

But, Sir, while my county is an agricultural county in a large measure, it has started on the road of being a manufacturing county as well. We have at Niagara Falls an immense power development going on; we expect when that is completed that many thousands of horse-power will be distributed all over the Niagara Peninsula and we hope to get the advantage of cheap power. When that power is distributed among our small towns the people of Haldimand expect a growth in their manufacturing industries. And so, Sir, we view with great satisfaction the announcement of the government that it has said 'stop,' to that dumping process to which no patriotic Canadian can for a moment consent. We are not in my county free traders to a degree, nor protectionists to a degree. We believe in building up Canada; we believe there should be fair competition. I want to tell hon. gentlemen opposite that so great is the manliness of the people in my section of the country that they do not fear fair competition, but when that competition

is not fair, when it becomes assassination in place of trade, then the people I represent will stand for the government which is the first government in the history of the world to have framed legislation to stop that abuse which has crushed out so many infant industries in various other countries. That announcement of the Finance Minister will be received with eminent satisfaction in the part of the country which I represent.

And now taking up more particularly what I intended to deal with, I need not apologize to the House for so doing. That pamphlet No. 15 on the face of it is so absolutely silly, is so absolutely dishonest, that we Liberals, from the party standpoint would rejoice to see it find its way into every house in Canada because we can disprove its statements from end to end, and in doing so we can shake any of the little confidence still remaining in the people of Canada in that Conservative party which once was great. But, when a respected member of this House, a man of prominent position in Canada, rises in his place and repeats once more that old unfounded allegation, that the Liberal government is a government of extravagance —in view of the statement made by the Finance Minister, in view of the statement made by the Minister of Trade and Commerce who dealt in a broad and able way with this subject ;—when in face of all that, he repeats the statement that this a government of extravagance ; when his party press through Canada is thundering forth against the prodigals so called at Ottawa ; then I need not apologize to this House for taking up this expenditure item after item as found on page thirteen, part I, of the public accounts of 1903, and discussing these items on the floor of this House by way of proving how utterly false are the charges of extravagance made against us by hon. gentlemen opposite. First, I take up the interest on the public debt. I will not weary the House with all the figures I have here, I will deal with them in round numbers. but for the sake of accuracy, and in order that hon. gentlemen opposite may not be able to question or to refute one word of what I say with regard to these figures, I have carried these figures out in my notes to the very last cent, and with your consent, Mr. Speaker, and the consent of the House I will hand in my notes to 'Hansard' at the end of my speech in order that these figures may correctly appear in the report.

Some hon. MEMBERS. Read.

Mr. A. T. THOMPSON. Very well. We find in the first place, that the difference in expenditure between 1895 and 1903 is $13,559,897.71. I chose to compare our expenditure with that for the year 1895, for the best of good reasons. That was the last year in which the Conservatives made an absolutely straight expenditure. I say that in no offensive sense. In the year 1896 realizing that a great deficit threatened them, and knowing that they were about to go to the country, they—I will not say cooked the accounts, but they certainly very prettily par-boiled them ; and they cut down the expenditure ; and they starved the service ; and they let wharfs go to ruin ; and lighthouses tumble down in order that they might make a better appearance before the people of the country than they had any right to claim. I therefore refer to the year 1895, and the difference between the expenditure then and now, amounts to $13,559,000. It is for that increase that I propose this afternoon to account.

In the first place there is an increase in the interest paid on the public debt amounting to $601,844.73. It has been pointed out by the Minister of Trade and Commerce that while there is this increase in the payment of interest upon our debt, there is a larger increase still, to wit: $684,906.10 as a result of the interest paid to us upon our sinking fund. So that, that whole matter of increase is more than balanced by the increase on the other side of the ledger. But I do not intend to leave my argument there, because there is yet a better face to be put on the matter for the Liberal government. In 1895 the Conservatives added to the public debt $6,891,000, and in the year 1896 they added $5,422,000 making a total of $12,314,000, added to the public debt by the Conservatives in the two years 1895 and 1896. Now, Mr. Speaker, it is evident that in the year 1895 our Conservative friends had no interest to pay on that $12,000,000 of debt, and it is equally evident that in the year 1903 we did have interest to pay on that twelve million of increase which the Conservatives were responsible for. So, taking the rate of interest as between three and four per cent—and we know from the statement of the Finance Minister that we have been paying that sum on our temporary loans ; as high as four per cent recently—and allowing interest on the $12,000,000 increase for which we are not responsible, you will find that nearly $500,000 of that increase is owing to the Conservative increase in the debt over which we had no control whatever. Had they kept within their estimates in 1895-1896, as they should have done, in view of the depressed state of the country, we would not have to shoulder that increased charge, and would be able to show $500,000 more of a balance on our ordinary expenditure this year than is possible, owing to the extravagance of hon. gentlemen opposite.

The next item I come to is under the head of charges of management, and there we find an increased cost by $67,082.79. Was this an extravagant increase ? How do we account for it ? Let me call your attention to a few points. In the first place, we employ the Bank of Montreal in London as our financial agent to look after the national debt and for that service we pay it £150 per million of debt.

Hon. gentlemen opposite paid exactly the same. In the same way, for payments on current accounts we allowed the Bank of Montreal a commission of ⅛ of one per cent. Hon. gentlemen opposite paid exactly the same. As brokerage for purchases of stock for investment in sinking funds we allow the Bank of Montreal ¼ of 1 per cent. Hon. gentlemen opposite allowed exactly the same. In these three items there has been no change.

We have in Canada seven offices of assistant receiver generals—at Toronto, Montreal, Halifax, St. John, Winnipeg, Victoria, and Charlottetown; and we find that the expenses of these offices have been decreased by the Liberals in the case of three and increased in the case of four; but the increase in the whole seven amounted to the small sum of $451.90, an average increase of $64.55 per office. Yet the volume of business has vastly increased, the expense of living has increased, and as a consequence the members of the public service have a right to demand some increase in salary, a demand which has been met in many cases. In the same manner we find that the salaries paid in 1903 in the government savings banks still kept open in the maritime provinces, are exactly the same as those paid by hon. gentlemen opposite in 1895, also in spite of the increased cost of living, on which the public service there might very properly found a demand for an increase of salary.

Hon. gentlemen may think that I am taking an undue amount of time over such small items as these, but in view of the strong statement made by the hon. gentleman who has just taken his seat, I propose to take a little time to prove beyond peradventure that this government is not extravagant. I go on then to two items which alone more than account for the increased expenditure. For printing new notes and cancelling old notes and signing new ones the government spent $54,562.18 more than the Conservatives did in 1895. Is anybody surprised at that? There is some commerce in Canada now. In the old times there was a lot of swapping of jack knives. Look at the returns, and you will find what an immense volume of business has been done, and how largely in consequence the currency has had to be increased. And naturally, if we increase the currency because of our business requirements, it passes rapidly from hand to hand and in the process gets worn out and destroyed; and it surely would be most incongruous for this cleanest of all clean governments to retain a dirty currency. So we call in the old paper and issue new paper. We are not going to apologize for that; and that accounts for over $54,000 of the increase. The balance is due to the increased charges we have paid in London for bill stamps. As you know, we, in concert with most other colonies of Great Britain, go to the London money market for our financial requirements, and are governed by the conditions there obtaining. I believe that it was owing to the South African war that this form of British taxation was increased. That is something over which we had no control, but for which we had to pay $12,713.76 more. If you add these two sums together, you will find that I have more than accounted for that increase of $67,275.94. Then, we spent $618,277.10 more because we put that much more into the sinking funds. We took it out of one pocket and bought securities with the money, and put them into the other pocket. We are not a dollar worse off, but probably a little better off, because these securities will probably increase in value as time goes on. There is the $618,277.10 accounted for, then, in less than sixty seconds by the clock.

In premium discount and exchange, we spent less by $51,064.69 than hon. gentlemen opposite. But I want to be perfectly fair and frank in the discussion of this subject, claiming credit for the government only when it is their due, and blaming the Conservatives only when they are deserving of blame. This matter also is controlled by conditions in the money market of Great Britain, over which we have no control, and for which no government, whether Liberal or Conservative, can properly be blamed or praised.

I therefore pass on to the next item, civil government, in which I find an increase of $132,563.75. This is but an increase of 9 per cent in eight years, a little over 1 per cent per year, a very small increase in this item in view of the vast increase in the commerce of the country and in its population, bringing as it always does increased business in the government offices. The public accounts give thirty-three subheadings under this caption, and almost every one of these could be subdivided. I would not be justified in taking up the time of the House in so minute an analysis; but if hon. gentlemen will take the time to make it, they will find that the minutest item of expenditure is as justifiable as the largest which I have quoted. Yet I would have you note this fact, Mr. Speaker, that the Conservatives in their term of office, during Canada's sluggish time, as I may fairly call it, increased the expenditure under civil government by no less than $35,000 a year, while we, in these growing times, have only increased it by $20,000 a year.

To the expenditure for administration of justice the same remarks would very well apply. There is an increase of $204,265.11, but of that $120,400.41 is on account of the Yukon, and the Yukon, as I propose to prove, has paid for the Yukon. We can therefore deduct that amount. This leaves but $83,865.70 of an increase, and when we think of the increased business before the

courts, that seems a very narrow amount by which to have augmented the cost of the administration of justice in this country. I will call attention to a further thing. Hon. gentleman after hon. gentleman opposite has risen in this House and recommended that the salaries of the judges in Canada should be materially increased. I must say that in that I think hon. gentlemen opposite are right, for occasionally even they are right. That is not the point under discussion, however. The point is that had the government acceded to their request, this increase in the administration of justice would have been still more largely augmented. That being the case, it does not lie in the mouths of hon. gentlemen opposite to say that we had already increased it too much.

The expenditure under Dominion police has increased by $6,337.21 an increase so small that I would not weary the House with it, but for my desire to be accurate and complete in the statement I am making. We have increased the number of men somewhat, and we have increased their pay somewhat because of changed conditions and the increased amount of work they have to do. I may say that, under the very able command of Lieut.-Colonel Sherwood, of Ottawa, that force has reached a state of efficiency unexcelled on this continent. We have no apologies to make for the Dominion police. Passing on to legislation, I find an actual decrease in the expenditure of $152,365.72. This is a decrease for which unlike the decrease which I noted under 'premium, discount and exchange,' we can really claim some credit. How does it come that we have managed so materially to lower the expenditure on legislation? Let me give you one item, Sir, which far more than accounts for it. We have abolished, as we promised, that heavy burden, the Franchise Act. In 1895 that Act cost us $239,963.33. But in 1903, because we sent it into the abomination of the scrap heap, the cost is not one cent. Thus by doing away with that cumberous and expensive machinery no less a sum than $239,963.33 was saved at one stroke. If I may be allowed a parenthesis for one moment, I may say that we take credit, not only for having saved that amount of money, but for having abolished something which was almost intolerable. Any hon. gentleman who has worked in the province of Ontario in connection with the voters' lists, under the old Act, knows the difference between then and now. In the old Act there was an income clause requiring that a young Canadian, if not a property owner or a farmer's son, must be in receipt of $150 per annum before he could exercise the privilege of citizenship; and often did I argue that a youth who was getting $12 per month and washing and mending was entitled to vote, because $12 a month represented $144 a year and surely the washing and mending represented the other six. But since the Liberals have come into power, the right of a young man to exercise the franchise no longer depends on the value of sewing on his shirt buttons and mending his socks. The days of small things are over. Perhaps my hon. friends opposite will say that they are over in expenditure also. Well, I hope they are, provided the expenditure is a wise and prudent expenditure. I come now to the subject of penitentiaries, which I am sure cannot seriously interest any member of this House. In 1895 our expenditure was $449,599.81 and in 1903 it was $477,839.82, showing a gross increase of $28,241, but we have also increased our revenue by $15,012.56, leaving a net increase of only $13,277.45. That increase is more than accounted for by the purchase of a quarry at Kingston, by putting in brick making plant at St. Vincent de Paul, by increasing the salaries of the wardens and keepers, and by the increased cost of supplies for the maintenance of these institutions. So that the smallness of the increase is an evidence of economy and not of extravagance. In arts and agricultural statistics, there is a large increase of no less than $326,271.73, the expenditure having been in 1895, $216,740.30 and in 1903 $543,-012.03. But of this increase $100,000 is due to the increased cost of the census as compared with what hon. gentlemen opposite paid in 1895. I shall not discuss that subject, because it was most ably dealt with by my hon. friend the Minister of Trade and Commerce. He put the case in a nutshell, and we say that the reason we have paid so much more for our census than our hon. friends opposite did for theirs, is the good, valid and proper one that broadcloth always costs more than shoddy. The next item of increase is that of $59,540.27 on exhibitions. But who will say that these exhibitions, in which we have so prominently and creditably figured for the last few years, have not had a very large share in inducing the great increase of immigration to Canada on which we are to-day congratulating ourselves? At one time Canada appeared before the eyes of the world as a place of ice and snow, only fit for the habitation of esquimo, but when the people of Paris saw the magnificent crops of peaches and fruits of all varieties that are grown in this country, they naturally said to themselves: these do not grow in snowbanks. This expenditure therefore has been a very wise one, and is one of the causes of the increased influx of people into this country. We come then to agriculture and dairying, and in this item there is an increase of $177,092.50 over 1895. If I were to go into the details at length, that would lead me into a particular discussion of the question of cold storage. I shall not weary the House by going into that question, because we have dealt with it before and it may come up again in some other shape, but shall confine myself to this point of that

subject. Our hon. friends opposite claim that they inaugurated cold storage. So they did, but it was cold storage of so inefficient a character that Australian butter, which had a much longer distance to go, was bringing at that time from ten to twelve shillings per hundred pounds more than Canadian butter in the British market. But after the present government had perfected the system, the conditions became changed and almost the reverse was the case, which goes to prove that whereas Australia had a perfect system of cold storage, hon. gentlemen opposite had a poor one, not because a good system could not be got, but because they did not know how to get it. I pass on to immigration, a subject which has been largely dealt with by previous speakers. The amount of the increased expenditure on immigration is $447,860.77, but I would call attention to the fact that whereas in 1895 we had had but 2,394 homestead entries, in 1903 we had 31,383, and whereas in 1895 we had but 18,790 immigrants, in 1903 we had 128,364. And, of these 128,000, 91,265 were English speaking, the kind we value more than almost any other, except perhaps some from the northern states of Europe. And I would further call attention to this point, that last year these people cost Canada but $5.02 per head, which is a decrease of $2.32 per head compared with the preceding year. This goes to show that Canada is becoming so well known and advertised, through our expenditure that people are flocking to it in increased numbers at a decreased expenditure per head and that the seed generously sown is now giving an equally generous return. Think of 9,387,561 acres of land being acquired by settlers through purchase and free homesteads, or as my hon. friend the Minister of Trade and Commerce, remarked, more than half the lands of Ontario under plough now in one single year. Think what that is going to mean. In 1895 there were sold but 114,713 acres for $222,489, whereas last year there were 4,229,011 acres sold for $14,651,757. The increase is not only in acreage, but also in the price of the land sold. It represents an advance of fifty per cent in the value of the land per acre in those eight years of Liberal rule. So we might continue ad nauseam, though I fancy a good patriotic Canadian could take a pretty good deal of this splendid progress without feeling sick over it. But time presses. The next item is that of quarantine which shows an increase of $162,010.61. I do not wonder that Conservatives did not spend more than they did in 1895, because our quarantine is composed of two sections—the human quarantine and the quarantine of animals. They had only 18,000 people to look after,—so far as quarantine of immigrants went—whereas we had 128,000. Therefore they did not require to spend so much on human quarantine. That accounts for $70,000 of this increase, and the balance is due to the extreme care and watchfulness of the department in keeping disease out of the flocks and herds of Canada. Previous to the advent of the Liberals to office, there was an embargo placed by the United States on Canadian cattle, but the hon. Minister of Agriculture succeeded a few months after he took office, in having that embargo removed.

You will remember, Sir, the immense advantage that was to the people of Canada ; how our exports went up from 4,000 cattle in four and a half years bringing us $50,000 to a number bringing us in hundreds of thousands of dollars to say nothing of the increase in value of cattle on the local market. Our cattle now, I admit, are largely going to the Northwest ; but, even last year, we shipped 10,000 cattle to the United States. That in itself is a considerable item which the farmers in Canada would not like to lose. If we prevent the spread of contagious diseases among our cattle we keep open the United States market. But, so soon as these diseases become prevalent in Canada the Americans will put on the embargo and we shall find ourselves with the market of the United States shut against us as well as the market of Great Britain which has been closed to us so long and which we have made such efforts to reopen.

In pensions the increase is only $3,575.39. But this is almost a purely automatic increase.

I pass now to superannuation, where there is an increase of $81,033.21. I fancy I hear some gentlemen of the opposition saying, during the general elections which may possibly be upon us in a year's time or less : An increase in superannuation ? We understood you Liberals were going to abolish superannuation. Sir, so far as the future is concerned, we have abolished it. But we are reformers, not despoilers. We have no desire to interfere with those civil servants who came in under the old Superannuation Act, influenced, largely, no doubt in seeking employment in the civil service by the knowledge that their declining years would be taken care of. So, we pay to these people the superannuation guaranteed to them when they entered the civil service. But, we have passed an Act abolishing superannuation since July 1, 1898, so far as regards all those who entered the civil service after that date. So, this increase of $81,033.21 is not our increase, but represents what we are bound to pay because of the contracts of hon. gentlemen opposite. Therefore, we wipe this off the account.

Then, militia calls for an increase of $388,995.62. Of this, $270,231.89 is under the head of pay of staff, permanent force, active militia, allowances, clothing and necessaries. It is a well known fact that this increase was not because of an increase of pay to the men. Many of us thought that the pay to the men should be increased. But the government could not see eye to eye with us

until this session, and so kept the pay at fifty cents per day for the private soldier. What has this increase been expended on ? I will tell you. For one thing, on the purchase of clothing, equipment and so on. So, while we have spent a larger sum our wardrobe is now fairly well supplied, whereas, in the days of Conservative rule it was meagre in the extreme ; and how we could have fitted out our regiments in case of necessity arising to increase them to a war strength, or anything like it, passes my comprehension. That is an expenditure for which we have the goods in store to show, something that hon. gentlemen opposite will not cavil at. And this accounts for $270,-231.89 of this increase.

The coronation contingent cost $62,630.43. I must assure you, Sir, that the coronation contingent gave excellent value for the money it cost. The British papers were full of favourable comments. We think that that contingent did not disgrace the country that sent it forth ; and we believe that had hon. gentlemen opposite been in power—for we think their loyalty almost equal to our own—they would have despatched such a contingent under similar circumstances.

The Dominion arsenal cost $96,403.99 more. But, then, we are able to turn out three times as many cartridges as we could under hon. gentlemen opposite. And that is an absolute necessity in view of the spread of rifle clubs which require ammunition for their practice. If there is one thing on which hon. members of this House seem to be a unit, it is on the advisability of the organization of these rifle clubs. But you can understand, Mr. Speaker, that a rifle club without cartridges, to shoot would not be good for much. They would be much in the position of a rifleman of whom the story is sometimes told. He aimed at the target several times and failed to hit it ; and was told by his commanding officer to fix bayonets and charge it. That would be about the position of rifle clubs without cartridges—they might become proficient in the use of the bayonet but they would never learn to shoot.

In Mounted Police the increase was $343,-909.75. Well, why should there not be an increase ? Look at the number of people going into the west. Would it be surprising if an increase in expenditure on mounted police were found necessary ? But you will be surprised to learn, Sir,—no, I beg your pardon, you will not be surprised to learn, Mr. Speaker, because you keep yourself well posted on the questions of the day ; but hon. gentlemen opposite will be surprised to learn—that this increased expenditure on mounted police is not because of the development of western Canada, but it is because of the number of police we have had to send to keep order in the distant district of the Yukon. We find that, as against this increase of $343,909.75 for mounted police no less than $590,702.93, or almost twice the sum is chargeable to the Yukon. And the Yukon has paid for the Yukon. Therefore, instead of having spent more money on the mounted police, there has been a decrease, service for service, as compared with the expenditure of hon. gentlemen opposite, in spite of the great increase in population in the Northwest. That is, because of the better administrative ability shown by the Minister of the Interior, we have actually been able to reduce the expenditure on this service.

On public works chargeable to income the increase is $2,323,236.38—a very large increase, I grant you. But what are the facts? Our total expenditure was only $4,065,553.27 —in this young and lusty and growing country of Canada, requiring the development and improvement of the public works over an enormous area ; half a continent, no less. Why, in 1896, our Conservative friends were prepared to spend—including their main and supplementary estimates the latter of which were printed but not brought down—$3,998,610, or actually, within $66,943 of what we spent this last year. And their income then was $34,000,000 and their expenditure $38,000,000, a deficit of $4,000,000, whereas our income is $66,037,068.93 for the year, with a surplus of $14,345,166.17—a very different state of things indeed. But there is, I think, still another reason why this increase is beyond cavil. We Liberals will not object to it, this expenditure of the government to whose support we of the back benches are pledged to the very last man, a government that we honour and venerate, a government that, behind its own closed doors is a happy family. We will not cavil at the increase. And how can hon. gentlemen cavil at it in view of the fact that it is less by $155,740, than the expenditure of the year before, made under the then Minister of Public Works, the hon. member for St. Mary's, Montreal (Mr. Tarte) who has since been welcomed to the organization of the Conservative party—welcomed back I must say—the man whom they discovered, they tell us, to have been the custodian of the brains of the Liberal cabinet. His expenditure was no less than $155,740 greater, and he is now declared by our friends opposite to be a great administrator and an able financial genius.

Next, we come to railways and canals. We find there an increase in the expenditure chargeable to consolidated fund of $75,599.-52. Well, we have somewhat increased the mileage of our railways and canals. And, as you increase public works, it necessarily follows that the expenditure upon them must increase, for the greater the quantity you have to look after the higher the expenditure for up-keep must be.

Then, you have mail subsidies and steamship subventions, an increase of $286,017.96. Do not hon. gentlemen opposite know that the increase of our commerce is owing largely to the fact that we ourselves have taken

means to open up new channels of trade. We believe that that is the way to increase trade and we are confident that the people of Canada believe it also. We have no fewer to-day than thirty-three services, as against eighteen in 1895, under hon. gentlemen opposite. The principal new ones are those to France, to Belgium, and to South Africa. And we hope that very shortly indeed a new service will be inaugurated between this country and the great republic of Mexico, with its population twice as great as ours—this service being the result of the so-called junketing tour of that energetic and able gentleman the Postmaster General and Minister of Labour (Sir William Mulock).

That junketing tour, Sir, which he took actually at his own expense, if we except possibly the cost of the axle grease on the government car which otherwise would have been rusting on some siding in Canada. He went at his own expense throughout, and, with his eyes open, as always, to the advantage of Canada, he studied existing conditions and we hope and believe that the result will be that he will establish still another steamship service, both on the Atlantic and the Pacific, which will still more largely increase the foreign trade of Canada. I shall refer to some more of the delightful Tory campaign literature. I ask hon. gentlemen if they are proud of leaflet No. 13, which speaks of a minister of the Crown going on a junketing tour to see the gaisha girls of Japan. It may be a funny thing, it may excite a smile, but is it quite worthy of the party which has rejoiced to call itself the gentlemen's party. I am glad to see that the man who wrote that article has been overruled by his friends in the party and that in the larger page subsequently published that disgraceful reference—for it is nothing else—is omitted and while his trip is mentioned, there is no nasty, low insinuation coupled therewith.

So we pass on to ocean and river service, in which there is an increase of $212,043.91. This expenditure is in the interests of commerce and of this amount we are expending on Dominion steamers, $100,000 more than the Conservatives spent, and for this last year we paid nearly $100,000 as a balance for a steamer to replace the 'Newfield.' The Conservatives had no similar item in 1895. These two items practically account for the increase.

Then we come to lighthouse and coast service. This is almost an incredible case. There is an increase of $488,240.42. Our Conservative friends spent in 1895, $12,219,-29 on lighthouses, and we are spending, including a steel lightship for the Lurcher shoals, $397,375.85, almost $400,000. And yet the junior member for West Toronto, (Mr. Osler) was good enough to say that we are neglecting the improvement of navigation on our waterways, notwithstanding the fact that we are spending $400,000 to their $12,000 in the improvement of our lighthouses in Canada. To my mind that fact speaks for itself. The only excuse that can be made for the Conservatives for neglecting the lighthouses is that they had very little commerce to light in the days when they controlled the destinies of this country.

I now pass on to still another heading, to wit, marine hospitals. In that there is an increase of only $10,161.10. I believe that an extra wing was built which accounts for part of this increase, but apart from that I can dispose of this increase quickly and satisfactorily in this manner: more commerce, more sailors, more sailors, more sick. Surely that is a precise way of dealing with the subject. I suppose that our merchant marine has enormously increased, and it is reasonable to suppose that with that increase the number of sailors will also increase.

I come now to steamboat inspection in which there was an increase of only $3,786.-21. This is a still smaller item with which I would not deal at all except for the sake of accuracy, and I might again say: more imports, more steamboats; more steamboats, more inspection. The revenue from this source has so increased that it almost balances the increased expenditure.

In the item of insurance inspection, there is an increase of $4,929.75, a small item mentioned also for accuracy. Of this amount $3,691.63, nearly the whole amount, came back to us in increased fees.

Then we come to fisheries, in which there was an increase of $84,006.17. Will any hon. member on the opposite side from the maritime provinces—and there are still some remaining, although, Mr. Speaker, if we can read aright the signs of the times, there will shortly be few maritime members on your left—will any of that remnant say to me that this government has spent too much on the fisheries of Canada? When we remember that of this amount some $37,610 was spent in fish breeding and that $11,331.49 of the small increase was spent for supplying cold storage for bait of deep-sea fishermen, the increase seems very slight. On this service we spent $527,829.12 against a Conservative expenditure of $443,-822.95.

On geographical surveys there was an increase of $10,594.85. On this subject the hon. member for West Toronto (Mr. Osler) himself answered the complaint. We spent but $78,746.26. That hon. gentleman says we should spend millions on it. That shows the consistency of hon. gentlemen opposite. They make wholesale charges of extravagance, and when we come to the items their cry is that we do not spend enough, that we should spend more. I have yet to find an example where hon. gentlemen are not

inclined to go one better and yet they make that general omnibus charge of extravagance against us.

On scientific institutions there was an increase of $49,512.63. That surely is money well spent. What increases the riches of a country so much as the advancement of science? What is going to overcome that sad lack under which the provinces of Ontario and Quebec so long laboured, the absence of coal? The advance of science, the advance of knowledge of electricity by which, taking advantage of our enormous water-powers, we will be able to smelt ores by water-power, through one transforming stage, that of electricity. We know how this enterprising government sent men to the old country to study the question of smelting ores by electricity, and we know also that, smart and clever and business-like as are our American brethren to the south of us, great as are their resources and enterprise, they never sent a commission abroad to find out this for themselves. I hope that as a result of that knowledge which we have obtained by this means, before a great while we will have immense and valuable enterprises in portions of Ontario and Quebec where in the past such development was utterly impossible owing to the fact that we had no coal for smelting.

In subsidies to provinces there was increase of $151,828,42. Why not? Is that not fixed by statute? Is that not a matter of population of provinces? I would not object if it was $1,151,000, because an increase of that amount would mean that our population had grown by leaps and bounds. No apology need be made for such an increase, nor yet for the increase in the item for the poor Indians.

Under the heading of Indians there is an increase of $122,411.24. Time was when possibly politicians might have spent a little more than was equitably due upon the Indians. That was in the days of hon. gentlemen opposite, when they gave these wards of the government the right to vote. In my part of the country, in Haldimand, and the adjoining constituency of Brant, we have Indian reserves and I am bound to say that when I think over the record of these poor Indians, I am almost inclined to think that perhaps it was cruel to deprive them of the franchise for I know that they were more active voters than white men are. In the famous Coulter and Montague election, I remember that on one of the Indian reserves, before 8.30 in the morning—I will admit with the aid of certain white necromancers and scorcerers—14 dead Indians voted. But who will say that to-day any government will spend too much money upon the Indians since we know they are now devoid of political influence? The fact is that this government has adopted the very wise policy of educating the Indians so that they may become estimable and valuable citizens. We spend a large amount of money to bring people from the old world to the new. Is it not reasonable and decent to spend upon the aboriginal inhabitants of this country, the men who owned it before the foot of white man ever trod its shores, a reasonable amount of money to bring them up to a condition of something like equality with ourselves?

Then I pass to the government of the Northwest Territories. There was an increase there of $498,839.72. I shall not discuss that for one moment. We know the increased number of people who have gone in. We know the vast amount there is to do in these territories and no man will say that we have spent too much money there. We have to make these incoming settlers comfortable, we have to give them safe and stable government there. Did we not do so, they would write back to their friends, the influx of population would cease and those who had already gone into the country would, as in the days of Conservative rule, leave the country and establish their habitations to the south of the boundary line. We come now to miscellaneous. There is an increase here of $311,396.32. It divides itself into a great number of subheadings. I hardly think I dare venture to take up the time of the House in discussing these subheadings.

Some hon. MEMBERS. Go on.

Mr. A. T. THOMPSON. I shall only mention a few of them. First, there is the Paris agency, $6,500, a new service entirely. You cannot make an omelet without breaking some eggs. Look at the magnificent trade omelet we have made for this country. One of the eggs that we have broken to get this trade omelet is the Paris agency, which has cost us $6,500, a mere bagatelle compared with the increased commerce we will get from that source in the future. The next is the astronomical observatory and apparatus, $10,497.85. That is a service in the interest of science. The next is the result of the increase in the gold output consequent upon the discovery of gold in the Yukon, being the assay office, the increase being $14,993.90.

Hon. gentlemen opposite did not require anything of the sort; in fact, I do not know that in those days there was really enough gold in Canada to require an assay to be made of it. Then, we return to Messers. Petersen, Tait & Company, the amount of their deposit, $56,940. That was money which they had paid into the treasury. They got it back out of the treasury and there was no loss in the transaction. The next is half-breed claims commission, $2,978.24. Why do I mention such a small sum as this? Just to emphasize the business-like methods of this government in contradistinction to the unbusiness-like methods of the late government. When these

half-breeds made claims to the present government their claims were submitted to a commission and settled, with the result that these half-breeds are loyal and contented citizens of the Dominion. In the old days these half-breeds had claims, they sent these claims to the Dominion government, the Dominion government pigeon-holed them or threw them into the waste-paper basket and the result was that we had a serious rebellion in the Northwest Territories which cost between $5,000,000 and $6,000,000, to say nothing of the scores of bright young lives which were given up in the service of the country on that occasion. There is something in the association of the ideas and the association of ideas is so strong in this case that I must be pardoned for having brought this item to the attention of the House. The next item is engraving maps of the Dominion and Northwest Territories, $14,096.53. We know how this has increased the knowledge of the Dominion both within the confines of Canada and beyond them. It is part of that advertising which is bringing such rich results in men and money. Hon. gentlemen will not complain of that. Department of Labour—and now I come to some more of that charming campaign literature—$20,471.54. Will hon. gentlemen say they do not want the Department of Labour ? Will they say that if they came into power they would abolish the Department of Labour ? I think not. They dare not do it, however much they might wish to and I do not say they wish to. I have here pamphlet No. 8, headed 'Starvation Wages.' Then follows a schedule of the wages paid on the Intercolonial Railway that hon. gentlemen opposite say are not enough, and that the government think also are not enough, for since the time that those wages were paid they have increased them. This is another example of the hypocrisy of hon. gentlemen opposite in claiming that the expenditure is too great because here is an item in regard to which they want to make it still more. I do not complain so much of that as I do of this which is only second to that pamphlet from which I quoted a short time ago headed 'Junketing Ministers.' In this pamphlet, No. 8, these hon. gentlemen say :

> And this is the government that says the workingmen should be grateful to it because it is paying a 'minister of labour' $8,000 a year !

Hon. gentlemen opposite very well know the miserable insinuation contained in that clause and the absolute falsity that lies within the four corners of that half truth. They surely know that the Minister of Labour is also the Postmaster General, that as Postmaster General he draws exactly the salary which his Conservative predecessor, as Postmaster General drew, and that in addition to the salary of the Postmaster General he does not draw one single cent of pay for the immensely increased amount of labour which he in his generous anxiety for the good of the labouring classes has taken upon his shoulders.

Marconi wireless, $10,000. We led in assisting that young man to whom the great universities of the old world are now stretching forth a hand and upon whom they are showering honours and conferring degrees. We took him in when he was more friendless than he is now and gave him financial aid. His method has proved to be immensely valuable beyond peradventure, and we in Canada have the honour of having been in the forefront in assisting in the development of this modern wonder of science from which we will reap substantial financial benefits far beyond our investment. We have contributed $60,000 toward the Ottawa Improvement fund. Who will cavil at that ? Not hon. gentlemen opposite. Sir, that vote of the money of the people of Canada for the improvement of Canada's capital is an outward and visible proof that Canada is no longer a number of isolated provinces experimentally strung together by a British Act of parliament, but that Canada is a united nation from ocean to ocean and from the southern boundary to the Artic sea, one and indivisable. Who will object to the beautifying of our capital as the capitals of all other countries are beautified at the general expense of the people ? For the consolidation of the statutes we spent $12,722.08. Who will say, especially those in the legal profession, that that expenditure has been made before its time ? Alaskan boundary commission, $59,-993. That is an expenditure—I may perhaps be pardoned for saying it—on a necessary evil. Hon. gentlemen will be surprised to learn that also in this delightful literature which has furnished us with so much instruction and amusement, the visit of the hon. Minister of the Interior to England last summer, where he worked, as, I suppose few men have ever worked in the interests of Canada, is actually put under the heading 'junketing tours.' What do you think of that, Mr. Speaker ? A junketing tour. That important mission of the hon. the Minister of the Interior classed as one of the junketing tours ! These sums taken together reach a total of $269,193.14 and by tracing out other and smaller items I could very easily account for the small balance of $60,000, but I shall not attempt to do so as I do not desire to detain the House. Then, upon the Yukon provisional district the government had to provide $807,806.89 that hon. gentlemen did not have to provide, but the Yukon has paid for itself so that nothing is lost by the people of Canada.

Now, I am glad to say that I take up my last bundle of notes, which I shall pass

over as rapidly as possible. The increase in the expenditure on account of the collection of customs was $311,396.32. Is any one surprised at this increase. Frankly, I am very much surprised at the smallness of it, because I notice that we have collected $19,361,260.90 more than hon. gentlemen opposite collected in 1895, that we have actually collected in excess of their collection more than the whole sum which they gathered in customs revenue with an increased expenditure of only $311,396.32. It follows also that while the expenditure in 1895 was $5.13 per $100 of revenue collected, it was only $3.31 per $100 of revenue collected in 1903 by this government. There was an increased expenditure upon excise of $7,-119.41, while there was an increase in revenue of $4,208,046.29. Comment is unnecessary in that, although I believe hon. gentlemen opposite are very much concerned to find that they have to pay a little more for their smoking tobacco than they did in the good old days of Tory rule. I do not wonder that they made tobacco cheap in those days. The people had to have a sedative. They were restless. Cheap tobacco was a necessity, but, when we have our pockets full of money we are prepared to pay a little more, we do not resent paying a little more for our tobacco and cigars and we are glad to know that this small increase, which is a considerable increase in the aggregate, is being expended on public works which will be of immense advantage to the people of Canada.

And so while our smoke goes upwards we can see through it as through a glass, darkly, public buildings springing up all through Canada as the result of this expenditure. I am not asking that the price of my smoking material be decreased one jot or tittle. Then, for weights and measures, electric light, and gas, the expenditure in 1895 was $98,173.67 and in 1903 it was $121,-575.02, an increase of $23,401,35 ; an increase accounted for by the increased amount of inspecting done in Canada, and indeed I may mention that for some of this increased expenditure we get back an increased revenue. In the expenditure for culling timber there has been a decrease of $6,-921 ; it is unnecessary to comment on that. For the inspection of staples, there is an increase of $63,906.46. But we have added a chief inspector of hides, an inspector of binder twine, and a rattling good one at that ; two chief inspectors and several assistants for the inspection of grain, and a warehouse commissioner at Winnipeg. The growing commercial interests of the country, and the increased services demand of the government to meet these growing interests in this regard, that is ample to afford justification for this expenditure. In the matter of the inspection and tests to provide against adulteration of food, there is a decreased expenditure of $4,443.31, for which we claim no credit.

Then we come to the post office service, and it shows an increase of $511,531.01. In 1895 the Conservatives spent on the post office service $3,593,647.47 and in 1903 the Liberal government spent on the post office service $4,105,178.18. If there is one thing in Canada which the people now understand it is the magnificent record of this government in connection with the administration of the Post Office Department. The people are so thoroughly acquainted with the splendid administration of that department now, that it absolves me from the duty of explaining this increase. It is an increase of more than half a million dollars, but against that we have an increased revenue from the post office of $1,605,042.87, in spite of the fact that we have a two cent rate of postage where the Conservatives charged three cents for a letter. We have wiped out the old post office yearly deficit of about three-quarters of a million dollars, and we have a surplus in its place of more than one-quarter million dollars. We have, as I stated, a two cent postage rate instead of a three cent postage rate ; we have better pay for the employees ; better service for all ; and we have increased, not before it was time, the salaries of the postmasters throughout Canada.

Then with regard to the expenditure on public works. In 1895 the Conservatives spent $151,698.22, and in 1903 the Liberals spent $562,403.51 an increase of $410,705.29. This is quite a large item but of this amount I find that no less than $281,391.87 was spent on the telegraph lines in the Yukon, and we have already seen that the Yukon has practically cost this country nothing. Then, a large part of the balance of the increase is accounted for by the extension of land and cable telegraph lines in the lower St. Lawrence, where every effort is very properly being made to improve the condition of navigation. I point this out to the hon. member for Toronto (Mr. Osler) as one of the increases, and I think he will agree with me in saying that it is a very useful expenditure and not an extravagant one.

Then for the cost of collection of revenue on railways and canals ; there is an increase of $3,517,578.65, the largest increase of all. But let me point out that the revenue from the same sources has increased $3,-347,131.52, in spite of a falling off in the canal revenues of $109,676.57, consequent upon the abolition of tolls ; an abolition made in the interests of commerce, and but for which there would practically be no increased expense at all in this item, as otherwise the increased receipts would balance the increased expenditure. I need say nothing of the greater facilities which this increased expenditure has given to the merchants of Canada, resulting in an increase of wealth out of all proportion to the net loss on the expenditure. Then in regard

to minor revenues, there is an increase of $1,073.01 which is a small item and which I only mention for the sake of completeness in dealing with the subject. In Dominion lands, there has been an increase of $56,628.30. I do not think we need be very shamefaced over this modest increase, in view of the fact that our income from this source has increased since 1895 by the tidy sum of $1,527,722.05. Then we come to trade and commerce, and there is an increase of $19,649.18 only, in spite of the fact that our foreign trade has increased from $224,420,485 to $467,061,494. Surely, in view of such a showing we need not be ashamed of that increase.

And now, Mr. Speaker, I have come to the end of my remarks, and I will ask you whether there is anything surprising in the fact, that after the careful study which I have made of these statistics, I have come to the decision to vote with pleasure in support of a government which is enterprising without being extravagant, and economical without being parsimonious.

Mr. HAUGHTON LENNOX (South Simcoe). The hon. gentleman from Haldimand (Mr. Thompson) has accomplished a very great feat. He has gone through about 365 items, and extracted from about 365 pages of paper probably 365 ideas ; although, what bearing they may have upon the subject we are discussing I fail to see. The practice of the present administration is, that no minister ever defends his department, and that some volunteer has to be pressed into service when defence is offered. The hon. gentleman from Haldimand has done better than all the other volunteers, because he has defended in his own way—I won't say much about the way—not one department but every department of the administration. The hon. gentleman has shown us in this year of grace 1904, what a real independent member of parliament is. He announced that he was an independent, and it is well that he mentioned it, because any one that has followed his record would never have dreamed it. I do not know that we could expect him to be independent.

Mr. TAYLOR. He is one of the government whips.

Mr. LENNOX. It is not a question of government whips at all, but I think that the plums which have fallen into the mouth of that hon. gentleman are quite sufficient to guarantee his ceaseless support of the government for all time to come ; at least so long as the Liberal party is in power.

Mr. A. T. THOMPSON. I am satisfied.

Mr. LENNOX. You are probably better satisfied than your supporters are. The hon. gentleman is perfectly satisfied with himself.

Mr. A. T. THOMPSON. I am satisfied with the government.

Mr. LENNOX. I do not think I ever knew a gentleman who seemed more perfectly satisfied with himself than the hon. member from Haldimand, but the trouble is that the gentlemen who sit on his side of the House are not nearly so satisfied with him as we are. He endeavoured to be amusing but he was not amusing to his friends, although he was to us. Let me remind him that there is a broad distinction between expenditure and extravagance and that when we speak of extravagance we are not necessarily speaking of large expenditure. So long as expenditure is in the interest of the people we will not complain, but when it descends to reckless extravagance and to squandering the resources of the country to secure votes to bolster up the government, then we on this side of the House do complain. The hon. member for Haldimand said that the hon. member for Toronto (Mr. Osler) was inconsistent in complaining of extravagance while asking for a larger expenditure on the geological survey. The hon. gentleman does not understand the question. What the member for Toronto said is ; that we want rapid development in this country, and if that can be obtained by geological surveys it would be a wise expenditure to strengthen that branch of the public service. It is the same thing with reference to the wages paid to the employees on the Intercolonial Railway. We believe that an honest day's work deserves an honest day's wage, and the Conservative party will stand up, as it always has, for the application of that principle to the working classes of this country.

Mr. ALEX. JOHNSTON. What wages did you pay the employees on the Intercolonial Railway?

Mr. LENNOX. The hon. gentleman will get a chance to speak when I sit down.

Mr. ALEX. JOHNSTON. Why don't you answer that question ?

Mr. LENNOX. I don't even hear the hon. gentleman. The Conservative party is the party which always took care that there should be fair remuneration for the labour classes in Canada. It was the Conservative party that organized in 1878, that policy which gave employment to the labouring people of Canada, and afforded the means of paying them fair wages.

The hon. gentleman who has been endeavouring to discuss the public questions of the day, although with no great degree of success, referred to what the hon. member for West Toronto had said in reference to our not yet having obtained all the improvements we desire on the St. Lawrence route, and told us that was a pretty encouragement for immigration and a poor class of literature to disseminate in Great Britain. These hon. gentlemen ought to understand that question pretty well. If

they will search the records for eighteen years subsequent to 1878, when the hon. gentleman who now occupies the position of Minister of Trade and Commerce was the chief spokesman or chief writer of the party, they will find the kind of encouragement he gave to people to come to this country. They will find that that hon. gentleman did all he could to prevent people coming by spreading broadcast not only through Great Britain but through the United States literature calculated to discourage immigration to Canada in the most effectual way. The hon. member for Haldimand complains of some literature that he got in some way. I hope he got it honestly. I hope he did not steal it, because they are awfully down on stealing on that side of the House. I hope too that it will do him some good. But I notice that he has not fully grasped the meaning of that literature. He chooses an isolated sentence, and fails to convey to the House any idea of its meaning. He complains that Mr. Sifton's visit to England should have been spoken of as a junketing tour. Well, I do not think the expression is a happy one. It was at the time parliament was in session that Mr. Sifton was in England and the Minister of Agriculture in Japan, and in consequence we in the House of Commons found it impossible to get a good deal of the information we wanted from time to time from the responsible ministers of the Crown. But I do not think it should be called a junketing expedition. I think we might better call it a pot-latch, which is an Indian term, and no doubt the hon. member for Haldimand is familiar with the Indian language ; for undoubtedly, so far as we can learn, it was a complete and thorough give-way feast on the part of our representatives. The hon. gentleman took a position which I am afraid will destroy his chance of reward for some time to come. It is the unhappy fate of most of the extreme advocates of the government's position never to be rewarded. The hon. member for North Norfolk (Mr. Charlton), who I am sorry is not in his usual form at present, is a conspicuous instance of how extremists are never rewarded. The hon. Minister of Trade and Commerce, with whom I sympathize, is another instance of how the most pronounced and vigorous extremists never come to their reward.

Mr. COCHRANE. His family gets it.

Mr. LENNOX. But that does not compensate him for the fact that in the formation of the cabinet he was overlooked, and that the coveted prize to which he had been looking forward for many years was passed over to the hon. gentleman now sitting beside him, the hon. Minister of Finance. The hon. member for Haldimand has gone so far beyond what is reasonable in defending the government that I am afraid that if another junketing expedition is made to England, he will not be selected to join it, even if his party continues in power, which is not likely. The hon. gentleman protests too much ; he announces too much; in fact, he says too much in every respect. From the beginning to the end of his speech he boasts of the enormous expenditure of this government, as contrasted with that of the former administration—which must have been a source of great pain to the hon. Minister of Trade and Commerce, who denounced any advance in the expenditure, and proclaimed that a retrograde movement should be made in the direction of economy and retrenchment, and said that that would prevail if the Reform party got into power. The hon. gentleman tells us of an expenditure by the present administration of $16.-000,000 on the Intercolonial Railway, and of $18,000,000 upon the development of our water-ways. That is just where the shoe pinches at the present time. Under a wise and statesmanlike policy of transportation for this country, definitely mapped out, and carried on judiciously, a large expenditure may be justified. But when hon. gentlemen do as this cabinet has done—rush headlong into expenditures, and then suddenly change their whole line of policy, and, instead, of developing the traffic of the west through central Canada to our own ocean ports, put it under the control of the Grand Trunk Pacific Railway Company—then the more they say about that policy under which they spent about $35,000,000 or more, the greater is their condemnation. The hon. gentleman boasted too of railway subsidies. I think he may well boast. While he was talking, I looked at the index of 'Hansard' of last year, and I found under the heading of subsidies more than eighty subjects classified as being subsidized last session. I think hon. gentlemen opposite have gone mad in the matter of subsidies. Instead of the hon. member for Haldimand boasting of the amount they have spent on subsidies, it would be well for him to call on the government to halt in this matter if they expect to retain their seats, because the people will not stand this subsidy business much longer. As an illustration of the way it works out, I may state that a little while ago the Dominion government granted a money subsidy to the James Bay Railway of $1,500,000. The company went to the Ontario government and got a guarantee of $5,000,000. Immediately after the close of the recent session of the Ontario legislature we had the announcement that the Canadian Pacific Railway Company, reviled as it is by hon. gentlemen who support the government, is going to build a parallel line between the same termini without asking a dollar of assistance of any kind from either the Dominion or the Ontario government. This shows that this matter of subsidies is one that requires immediate attention, and I am very much mistaken if the people of Canada do not attend to it at the next general election, whenever

hon. gentlemen opposite have the courage to bring that election on.

The hon. gentleman referred to the iron and steel bounties and the lead bounty, but not to the shipping bounty. He did not tell us, of course, that the other day a government official went to Collingwood to ascertain the value of dry-dock facilities, said to have been constructed there by certain gentlemen of that town, and that he valued these at $500,000, and that we are now paying, and will pay for twenty years to come, a subsidy of $15,000 per year as a bounty to that industry alone. And should the present government be returned again to power, no doubt the same gentlemen will exercise the same power over the government as they have been doing lately. How they managed it, I do not know. But the hon. gentleman from North Simcoe (Mr. McCarthy) seems to be able to bring this government to book in some peculiar way, and I wish him luck when he goes to Oro and Vespra and the other townships round about and explains how it has come to pass that these sums are paid by the government into the lap of Collingwood. He is another Independent, and the ways of these independents on that side are past finding out. I am not in harmony with the hon. gentleman when he boasts of these bounties. I remember when not only supporters of the present government outside the cabinet, but even ministers now in the cabinet, taught us that of all subventions, bounties and subsidies were the most odious abominations of protection. I do not know what the Minister of Trade and Commerce (Sir Richard Cartwright) would say now, but I heard him say a couple of years ago that there was no use talking about this dumping business because you could not do anything with it by means of a tariff or a bounty, and that on the other hand it was a blessing in disguise—very thickly disguised I always thought. That, however, was his view then. Hon. gentlemen opposite are fond of taking up the statements of members on this side and holding them out as the policy of the opposition. Well, as I understand it, the opposition policy is the one which our leader announces. It is a policy with which we are in harmony, or it would not be announced. But individual members on this side may express their independent views without committing the party to them. In anything I say in the House, unless it be something on which our leader has pronounced a policy, I am simply enunciating my own views, and I want to put on record here and now my opposition to the scheme of bounties and bonuses and subsidies in Canada. I listened to the glowing language —and it was more glowing than sensible describing the illimitable resources of Canada. I heartily agree with him. But if Canada has such a fertile soil for the teeming populations of other countries, if it offers such a productive field for immigration, if it has mines and minerals and fisheries, if its agricultural resources are so great, and if our growing trade and commerce requires greater facilities for the handling of its traffic, then the time has come when we do not need to subsidize these various industries in order that they may live. I am straight and square in favour of adequate protection, or, if you have any better term than 'adequate protection,' you may substitute it. I am in favour of such duties as will protect our people in the various ranks of industrial life, but I am opposed to subventions and subsidies and devices of that knid. I believe that they are unfair and unequal. They are not fair to one of the great classes, at all events, which should be protected and cared for and whose rights should be respected in this country. But before I deal specifically with that subject, let me refer for a moment or two to other matters to which the hon. gentleman has referred. He talked of exhibitions and an hon. gentleman beside me suggests that he made an exhibition of himself. I am not disposed, however, to be severe on the hon. gentleman in his absence. He did not remain to hear the other side, but hastened out of the chamber after he made his speech, and no doubt he remembered the old line :—

> He who fights and runs away
> May live to fight another day.

If our exhibitions generally are conducted on the same lines as the one of which we have had an explanation from the Minister of Agriculture (Mr. Fisher) the other day—I refer to the permanent exhibition connected with the Colonial Institute which, the minister was compelled to admit, was under charge of the Home Department of Trade and Commerce, into which is thrown everything that nobody else will have anything to do with, and in that respect resembles the Department of Agriculture in Canada—the less we have of them decidedly the better for the people.

With regard to immigration, the hon. gentleman showed that there is no field in the world so favourable for industrial pursuits to-day as Canada, and for those who are seeking permanent homes were they will be comfortably off, the resources of Canada offer inducements to be found nowhere else. In these remarks I entirely concur and am prepared to say that we are to-day receiving back a large portion of those whom the Minister of Trade and Commerce and his colleagues succeeded in driving from Canada from 1878 to 1896. Now when we have a loyal opposition which does not defame the country, but extols its advantages, which is loyally endeavouring to support the government where it can, we ought to have a larger immigration ; and I venture to say that had it not been for the unfair and disloyal utterances of hon. gentlemen opposite when in opposition, our population would be double to-day what it is.

My hon. friend from Haldimand did not tell us anything about these little harbours at the mouths of creeks. I am going to spend a little time in classifying that expenditure, and showing how much money we have frittered away upon public works where there is no justification for the expenditure of even a single dollar—unless it can be a justification by a government to show that they have spent money for the purpose of keeping themselves in power. No one who has followed the discussion of the estimates in this House during the last three or four years can fail to know that in the record there are abundant instances of such expenditure. I do not intend to go into those instances now; but, before the session closes, I intend to show what the expenditures have been in these cases where there was no justification in the public interest, but where the only object of the expenditure was to offer a sop to a locality to win its favour for the government.

The hon. gentleman Mr. A. T. Thompson) spoke of superannuation. But he did not tell us the important fact that superannuations were made by this government for the purpose of making places for their followers. For that purpose they have superannuated a great number of men who were more capable than are their successors in office. He says that no superannuation system obtains now. The hon. gentleman has a bad memory. I think that I remember that last session he himself spoke in favour of the increase of judges' salaries and of the change in the superannuation of judges. What the hon. gentleman means is that if the superannuation is of some civil servant who has been drawing $800, or $1,000, or $1,200 a year, it is an iniquity, but if it is to superannuate a gentleman who has drawn for twenty-five or thirty years a salary of $5,000 or $6,000 a year, then it is a virtue which he will commend. I am not quite in accord with him in that view. There was one remarkable thing about the hon. gentleman's speech, and that is that he talked of everything but the budget. I think he is to be commended for that. I am going to do pretty nearly the same, because there is mighty little to talk about if one confines himself to the budget. The budget has been a vanishing spectacle year by year. When I entered this House four years ago and heard my first budget, I thought it was a pretty weak performance—except in the matter of congratulation. That congratulation has been the main point of the budget ever since. But in everything else it has grown weaker year by year, more mixed and muddled year by year. It would be difficult for any hon gentleman to make a speech if he confined himself to that budget, particularly would it be difficult for a supporter of the government. Hon. gentlemen on this side of the House can at least deal with the budget as a negative quantity; they can criticise it for what it does not contain rather than for what it does. Even when the Minister of Trade and Commerce (Sir Richard Cartwright) spoke he had to steer clear of the budget—not for lack of ability, for I do not believe anything of that kind—but through lack of material. He had to abandon the budget and take up one of his old speeches delivered on former occasions in this House. However interesting it was as a reminiscence, still, though he gave it with vigour, it had not at all the effect of novelty. He used about the same language and brought in his points in about the same order as on former occasions.

Now, I have a word or two to say with regard to the proposal of the Minister of Finance (Mr. Fielding) to grant a bounty of 1½ cents a gallon upon the production of crude oil. I have already said that I am absolutely opposed to the principle of bounties. Bounties serve no purpose except to enrich the few at the expense of the many. They cannot effect the object the hon. minister says he desires. And the hon. gentleman does not think they will effect that object—and I can demonstrate that in a moment. He says that we produced crude oil last year to the amount of over 16,000,000 gallons, and he tells us he is putting on the bounty in order to increase the production of crude oil, so that the refiners may have more employment than before. But when he tries to figure out what his bounty of 1½ cents per gallon will cost, on what does he base his calculation? Why, on something over 16,000,000 gallons—showing that he does not expect a single gallon of increased production by reason of this bounty that he is offering. The hon. gentleman knows that he is giving a sop to the Standard Oil Company, and wiping out this industry which he is professing to serve. I am opposed to bounties and in favour of adequate protection to all our industries, a protection which will work out so that each industry will be protected in the same degree. In another way the Finance Minister is most misleading in the calculation he puts before the people as to this bounty of 1½ cents per gallon on crude oil. He gave us to understand that the people would pay 1½ cents per gallon more on coal oil. But, as a matter of fact, it will be 3 cents a gallon on coal oil, because it takes two gallons of crude oil to make one gallon of burning fluid. Did not the hon. gentleman (Mr Fielding) know that, or did he not want to tell the people the truth and the whole truth with regard to this matter?

Mr. FIELDING. Will the bounty be paid on the crude or on the refined?

Mr. LENNOX. It will be paid on the crude.

Mr. FIELDING. Why, then, should the calculation be made on the refined?

Mr. LENNOX. For this reason—that the people do not burn crude oil, but refined

oil. But hon. gentlemen opposite probably think that the people should burn something else. The hon. member for Haldimand (Mr. A. T. Thompson) thought, if I understood him aright, that the tallow dip was good enough for the common people. Perhaps the Minister of Finance thinks that unrefined oil would be good enough for the bulk of the people in the country. The cost of his bounty will be 3 cents a gallon on the refined oil.

Now, I am requested to read for the benefit of the House what the hon. Minister of Trade and Commerce (Sir Richard Cartwright) said. I have here the Ottawa 'Free Press' of this day——

Mr. TAYLOR. Is that a Liberal paper ?

Mr. LENNOX. I believe so.

An hon. MEMBER. The Liberal organ in this city.

Mr. LENNOX. The 'Free Press' says :

It was a reminder of the days when Sir Richard dealt his blows with the force of a mental giant and when every blow left its mark on the adversary. The havoc he wrought with those blows of his explains why Sir Richard is not very popular on the opposition side of the House to-day.

That is enough for an introduction. I think you will say that they are doing him justice—unless they are making him ridiculous. The 'Free Press' goes on :

Be that as it may, Sir Richard had been charged with having been recusant to free trade, but he was able to show that the idea was a figment of the imagination. He had never in his life been a free trader.

As a protectionist he had taken part in the campaign of 1878, and he had championed the cause on every hustings from that day to this.

Sir Richard made avowal that he had once delivered a lecture on speculative free trade, but in the opening paragraph he had expressly declared that it had no reference to practical free trade as a policy for Canada.

Surely there was no apostacy to principle here. And then came the pungent drollery, the caustic humour with which he showed how first one and then another on the opposition side, who had at an earlier period of their life appeared on free trade platforms assailing protection as the Scottish Calvinists used to assail the papacy, and forsaken the faith to which they had pledged themselves.

Now I shall read a few lines here from an excellent authority :

A bounty is merely the means of making a present to the manufacturer at the expense of the people at large. It creates no wealth in the country. It is a means of transferring money from the pocket of one man to the pocket of another ; it is a means of compelling the people generally to enhance the profits of the manufacturer, to put into his pocket money that he never earned.

I would be very sorry to have it understood by the great agricultural classes of this country, I was in favour of bounties in any shape or form. I am not in favour of them, because I recognize that the system is unfair to the great agricultural class of this country.

I have heard nothing which is better sense or more concise than the statement made in this passage by the hon. member for South Simcoe at the last session and so I have read it to the House. I think it will be received as containing a very considerable amount of wisdom.

The hon. gentleman who preceded me (Mr. A. T. Thompson) spoke on every available subject, except the interest of the rural constituency which he represents. I want to say that although it may be in the interest of some classes to have a bounty imposed, to be taken out of the pockets of the people, yet it can never be in the interest of the great agricultural class of this country, and whatever other interest we may be able to serve, I for one, so long as I represent a rural constituency, aye, and even if I should represent a city constituency, will feel that the first interest to be considered in this country, having due regard to all other interests as well, is the interest of agriculture.

At six o'clock House took recess.

After Recess.

House resumed at eight o'clock.

Mr. ARCH CAMPBELL (West York). The budget debate always excites a great deal of interest not only in this House but also in the country. It is, I suppose, the most important debate we ever have had in parliament. It is time, I think I may say, of stock taking, a time when we review the affairs of the country for the past year and make an estimate of those affairs for the coming year. By that means we ascertain where we are, where we stand, whether we are progressing or retrograding. Any man who does not at a certain time of the year take stock of his affairs to find out whether he is going ahead or behind, is not a good business man. So in parliament if we do not as a nation take stock once a year and ascertain how we are standing, we are not conducting the affairs of the country as we should. The budget speech which was delivered the other day has excited great interest throughout the country. It was one of the most important speeches that has ever been delivered in this House. It must be exceedingly gratifying to the people of this country to read the record of the progress and advancement of this Dominion of Canada. The gentlemen to your left who have preceded me have found it a very hard road to travel, and their speeches have been the shortest that I have ever listened to in a budget debate. The hon. member for West Toronto (Mr. Osler) occupied only twenty-five or thirty minutes. The hon. member for Simcoe (Mr. Lennox) hardly came up to

that time; in about twenty five minutes he said all he could say. It is an evidence that they can find very little to criticise in the position of the country and the manner in which its affairs have been conducted in the past year. One can scarcely credit the state of affairs that has been revealed by the Finance Minister. If we did not know it was true, we could scarcely realize that this Dominion is making such tremendous progress as it has been making within the last few years. The story of the extraordinary advancement of this Dominion reads almost like a fairy tale, and is exceedingly gratifying to every well wisher of the country. There are two ways in which we can ascertain the progress of a country, just as in the case of an individual. If a merchant or a farmer or a trader is increasing his sales from year to year, selling more goods, doing a greater business, it is an evidence that he is prospering and is adding to his estate, and so with a nation. We find that this Dominion has made wonderful progress within the last few years when compared with the record of previous years. What we buy and what we sell is of great interest to us. I remember that when our Conservative friends were in power, they boasted very often of the progress the country was making. They pointed to an increase in the trade of this Dominion of $3,500,000 per year. That was the average during the eighteen years they were in power. The trade of this country increased from $172,000,000 in 1878 to $229,000,000 in 1896, an increase of $66,000,000 or about $3,500,000 per year.

It is a matter of record that our hon. friends on the Conservative side were exceedingly gratified with the progress that had been made. If you look over the speeches of the late Minister of Finance you will find that he pointed with pride and satisfaction to the record of the increased trade of the country as an evidence of a wise administration of the affairs of the country under his rule. Now, Sir, taking that as a criterion, we may judge of the progress of the country during the seven years that it has been under the guidance of the Liberal party, and we find that the trade of the country increased from $239,000,000 in 1896 to no less a sum than $467,000,000 in 1903, that the trade of the country increased not at the rate of $3,500,000 a year, but at the rate of nearly $32,000,000 a year. I think that if we look with pride and gratification to the fact that under the regime of our Conservative friends the foreign trade of this country was increased by $3,500,000 a year it must be exceedingly gratifying to them now to find that that trade has gone up to the extent of about $32,000,000 a year. We find also that the increase in trade has been largely in Canadian products. We find that the total exports of Canadian products for the seven years previous to the advent of the Liberal administration, from 1890 to 1896, were, in round numbers $696,000,000. Comparing that with the last seven years of the Liberal administration, from 1897 to 1903, we find that the total exports of Canadian products were $1,166,000,000, or an increase in these seven years over the previous seven years when the Conservative party ruled, of no less than $470,000,000. You can hardly realize that that $470,000,000 has gone into the pockets largely of the farmers and producers of this country.

It is interesting to ascertain how this increase has occurred. We find that of products of the mine, from 1890 to 1896, we exported $42,730,000. During the last seven years this was increased to $170,000,000, or an increase in these seven years over the previous seven years of $127,000,000. Then, we have the fisheries. Our exports of the products of the fisheries for the seven years previous to 1896 were $69,468,000. During the latter seven year period they increased to $78,898,000, or an increase in these seven years of about $9,000,000. Of the products of the forest the exports increased from $176,000,000 during the first seven year period to $213,000,000 during the last seven year period, or an increase of $37,000,000. Then we come to the products of the farm. The exports of the products of the farm show a wonderful increase, an increase from $331,000,000 for the previous seven years to no less than $573,000,000 for the last seven years, or an increase of $240,000,000 for the last seven years over the previous seven years. Then, I am also glad to know that the exports of manufactures have increased from $51,000,000 to $100,000,000 or an increase of $50,000,000. These facts are exceedingly gratifying to us. They show that our products are being sold to good advantage and that we are reaping enormous profits from them.

If we examine the list of exports we find that we can pick out some items in that trade of particular interest to the farmers of this country. We find that the exports of butter rose from $6,140,000 during the seven years previous to 1896 to nearly $29,000,000 during the last seven years, or an increase of $22,000,000. Then, take cheese. The exports of cheese during the seven years previous to 1896 amounted to $87,000,000, whereas, for the last seven years they amounted to $133,978,000, or an increase of $46,000,000 in that one article alone. We may take hams, bacon, and pork, the exports of which increased from $15,572,000 to $77,558,000 or an increase of $62,000,000.

It is well to ask the reason why it is that we have made such astonishing progress in these lines, that we have been able to sell so much more of these goods during the last seven years than we were dur-

ing the previous seven years. The rain fell and the sun shone, during the first seven years the same as during the last seven years. The crops grew and Providence blessed this country during the seven years between 1890 and 1896 the same as Providence has blessed this land from 1897 to 1903 and it is interesting to know how it is that we have made such wonderful progress and that we have been able to sell so much more in the last seven years than we were in the seven years previously. It is an advantage to have added to the wealth of this country the enormous sum of money that has gone into the pockets of the people. Our hon. friends say, as they have been saying to-day, that this is largely owing to Providence. They give no credit to the government of this country at all, but I think a little investigation will show that under the wise direction of this government the farmers have been enabled to take advantage of the opportunities presented to them in very many ways. For instance, let me point to a few of the reasons why this increase has taken place. We all remember that when the government took charge of the affairs of this country in 1896 our cattle could not go into the United States without being quarantined for a certain length of time at the border. What was the result of that? In the four and a half years during which that quarantine was in force we only sent to the United States 3,762 head of cattle at a valuation of $52,000, in round numbers. What did this government do? The Hon. Sydney A. Fisher, the practical businesslike intelligent farmer who was placed at the head of the Department of Agriculture, a man who knew what this country demanded, a man who understood what the farmers wanted, a man who realized the responsibilities of his position, immediately set himself to work to effect a remedy. With the Hon. John Dryden, Minister of Agriculture in the province of Ontario, he went to Washington and there, like business men, they brought this matter to the attention of the American government, the state of affairs was explained and by bringing their business ability to bear upon the authorities at Washington, they secured the removal of this quarantine that had proved so disastrous to the interests of the farmers of Canada. What was the result in the next four and a half years? In the next four and a half years after the quarantine was removed instead of sending 3,762 head of cattle to the United States, we sent no less than 349,393 at a valuation not of $52,000, but at a valuation, getting it back in good Canadian money, of no less than $5,329,000. Will any man say that that was not one act which contributed largely to the welfare of the great agricultural classes of this country? Ever since, the exportation to the United States of our cattle has been going on. We have a great many cattle that we cannot send across the ocean. It does not pay to send them 3,000 miles to market. We find that in the great cities of the United States, such as New York and Boston, where there are millions and millions of people, a market for these cattle, and the result is that the farmers of this country sent in four and a half years after these quarantine restrictions were removed no less than 349,000 head of cattle at a valuation of $5,329,000.

The system of cold storage, brought to perfection by this government, has also contributed in a large degree to our prosperity because before cold storage was brought to a successful development our perishable produce could not be sent to the markets of the world in proper condition. The late government started with a crude system of cold storage, filling the steamers with ice that was melted before the vessels got to the ocean, with the result that the goods arrived in the old country in a worse condition than they were in when they started on the voyage. Under the present Minister of Agriculture, who understands his business, the cold storage system was perfected. He first established the system on the railways throughout the Dominion, giving the railway companies a bonus to induce them to fit up their cars so that the perishable products could be carried from the farmers' door to the world's markets. Then, cold storage warehouses were erected in Montreal, and the minister made arrangements with the steamship companies to fit up mechanical appliances in their vessels so that our products could be properly cared for on the ocean voyage. In the first year of the experiment, 17 ocean steamers fitted with cold storage sailed from Montreal, and last year there were 35 steamers so fitted. Last year there were 144 sailings from the port of Montreal alone, of ships furnished with mechanical cold storage of the most modern and approved type. As the result of these experiments, the export of our butter and cheese and poultry and eggs has enormously increased; and the farmers have been enabled to realize a higher price than heretofore. That has contributed in large degree to the prosperity of the farmers of Canada. That is the reason why our farmers got $470,000,000 more for their products in the last seven years than they did before. But that it not all. The Minister of Agriculture established in all the provinces of this Dominion dairying schools to educate the people in the best methods of manufacturing butter and cheese. Our exports of butter have largely increased, but we are yet only at the beginning of that trade. There is a market in the old country for ten times the quantity of butter we now export, and with a continuation of the efforts of the Minister of Agriculture we hope to capture that market.

Some people may say that while our products have increased, the people of Canada have not got the money, but let us see how that pans out. Is not this a pretty sure criterion. In 1878 the deposits in the banks of this country amounted to $79,000,000, and in 1896 they amounted to $245,000,000, an increase in eighteen years of $165,831,000. But what has been the story since 1896? Instead of having $245,000,000 on deposit in the banks as we had then, the people of Canada had in the year 1903 no less than $461,000,000, or an increase in these seven years of $216,000,000 against an increase of only $165,000,000 during the long eighteen years of Tory rule. That is remarkable progress. It redounds largely to the credit of this government of wise and practical men, who by the methods they have adopted to encourage and facilitate the manufacture and transportation of our products, added to the general prosperity of the Dominion. Another test we might make, can be taken from the post office returns. The correspondence of a prosperous and progressive nation is constantly increasing. The postal record shows us that in 1878 we posted 44,000,000 letters; in 1896 116,000,000 letters, or an increase in eighteen years of 72,000,000 letters. But what has been the wonderful record since 1896? Last year we posted 235,000,000 letters, or an increase of 119,000,000 over 1896, as against an increase of only 72,000,000 in the eighteen years of Conservative government. These are strong, convincing, and indisputable proofs of the progress we have made.

And, Mr. Speaker, I am glad to know that the manufacturing interests of this Dominion, which we all know are a great factor in the welfare of a country, have shared in the general prosperity. Our manufacturing industries during the last seven years have made far more progress than during the eighteen years of Conservative rule. In 1896 we exported $9,365,000 worth of manufactured products, and in 1903 that rose to over $21,000,000 worth, an increase in seven years of over $11,000,000 worth.

Compare that with the previous record, from 1878 to 1896. The increase was only a little over $5,000,000 in eighteen years under the national policy, which according to its advocates was going to build up this Dominion, which was designed especially for the benefit of the manufacturing interests of Canada, which hon. gentlemen opposite have never ceased to laud and which they claim had laid the foundations, broad and deep, of the future prosperity of the manufacturing interests of this Dominion; and yet under that national policy, during the eighteen years of its continuance, our exports of manufactured goods only increased $5,237,000. Since the abolition of the national policy, since the tariff was revised by practical men on business lines, the manufacturers of this Dominion have gone on increasing by leaps and bounds, so that during the last seven years they have increased their exports by $11,259,000, against an increase of $5,000,000 under the national policy in eighteen years.

Now, I believe the manufacturing establishments of this Dominion should receive wise encouragement from the Dominion government. I think the welfare of this country largely depends on the success of its manufacturing establishments. You can see them in the neighbourhood of our towns and cities, employing from 500 to 1,000 men, adding to the population, increasing the value of land all round, giving value to the products of the farm, and the market garden. So I say it is a wise thing for the government to encourage the building up of manufacturing establishments in every way they possibly can; and the revision of the tariff made in 1897 contributed in a large degree to the building up of the manufactures of this country and making them as prosperous as they are to-day.

Let me point out one or two ways in which the tariff has been revised. You can revise the tariff in such a way as to paralyze the industries of this Dominion. The government in 1897 went about their work in a businesslike way. They reduced the duties on the natural raw products of this country. Take, for instance, iron and steel, the great raw product that enters into the manufacture of every implement used on the farm, of every ship that sails on our seas, and of every railway train that passes over the land. Under the national policy which our Conservative friends have so lauded, this raw product, so necessary to the commercial life of the country, was taxed to the extent of about 60 per cent. This government came into power and cut that duty in two, with the result that our manufacturing establishments throughout this Dominion have been enlarging their plants, increasing their output, and sending their goods to all parts of the world. There is a factory in my own county which has doubled and trebled its production in the last seven years—the Dominion Radiator Company, of Toronto, which is now sending its goods to all parts of the wide world. Even the public buildings in far-off Russia are heated by radiators made in the city of Toronto. These works were not prospering under the old system, when they had to pay that enormous duty on their raw material. Their output was curtailed, they could not compete with other manufacturers, and they were not able to make a profit. But since then they have grown and have extended their works, until now their goods are going to all parts of the world. Take the Massey-Harris Company, who use from twenty-five to thirty tons of metal every day, paying an enormous duty upon it. They were handicapped and unable to send their goods abroad; but as soon as the duty was reduced, they were able to compete with

their neighbours, enlarge their plant, double their output, employ double the number of men and largely increase the wages of those men. They have grown and have extended their works until now the whole world is their market. And recently we have had the Deering Company established in the city of Hamilton, investing millions of capital, employing, I am told, 10,000 men, and prepared to manufacture agricultural implements and send them to all parts of the world. I could point in the same way to other manufacturing establishments. Go to Ottawa, Montreal, Hamilton, Peterborough, Halifax or anywhere else in this wide Dominion, and you will find that the manufacturing establishments have increased and prospered, doubled their output, and given employment to more men and at increased wages. I do not say that the tariff is perfect. I have thought that certain revisions of the tariff could be made, some reductions and possibly some increases, that would still further bring prosperity to our manufacturing establishments ; and I am glad to know that the government have wisely decided to give some redress by placing some goods on the free list, and thus placing the establishments in a better position to manufacture their product at a lower price than before, and to supply the consumers not only of Canada but of the wide world.

In this connection I might point to the revision of the coal oil duties. That seems to me to be a sensible change. At present we have five cents a gallon on refined oil and five cents a gallon on crude oil. It takes two gallons of crude oil to make one gallon of refined ; so that we have this anomaly, that there is a duty practically of ten cents a gallon on the raw product and only five cents a gallon on the finished article. In the revision of the tariff the sensible thing has been done ; the duty on the refined has been reduced to 2½ cents a gallon, the benefit of which will be enjoyed by the consumers of oil throughout this Dominion ; and crude oil has been placed on the free list, which I hope and believe will result in every single gallon of the 16,000,000 gallons or whatever quantity of oil is used in Canada, being refined in the Dominion. Our refiners get their crude oil in free, and have 2½ cents a gallon of protection on the refined. So that we will compel all the refiners of this Dominion, I believe, to refine the entire product of this Dominion in this country itself. That will give employment to double the quantity of men now engaged in that industry. We only produce in Canada one-half the quantity of oil we consume, so that if we refine the whole product in Canada, we will employ just about double the quantity of men and at the same time give the consumers their coal oil cheaper. Therefore I think that provision is wise and sensible and will promote the interests of the people.

The results of this development, the effect of the prosperous times we have had, brought about largely by the wise legislation of this government, are seen in another direction. We have an enormous territory in the Northwest, and what we require above all in Canada is people. It is almost incredible that in this great Dominion, so rich in natural products, mineral treasures and other resources, with the Canadian Pacific Railway running through from end to end and with branch lines extending in every direction—it is almost inconceivable that for ten years we did nothing but mark time and not only did not add to our population, but could not keep the immigration we brought in. Instead of there being in the country, the 860,000 people which the returns show were brought in previously to 1896, it was found that we had not retained our natural increase and that those whom we brought in had gone out of the country again to the United States. We found also in the eastern states Canadian boys and girls who had fled from this Dominion to the busy centres of trade on the other side of the line. At the head of the American banks and other great establishments, you will find Canadian boys, who had been born and raised and educated in Canada and had gone to this foreign country, and who, by their enterprise, ability, industry and integrity had raised themselves step by step until they had reached the highest positions. Was it not lamentable that all these bright young men and women should have been forced to leave our country ? and under the regulations which then existed, we find that in the decade previous to 1896, of the immigrants who had come in and who had cost this country a large amount, nearly all had gone to the United States. But when the present government came into power, under the wise administration of the Minister of the Interior (Mr. Sifton), who knew the situation and who knew the Northwest, a new departure was made. Immigration agents were sent not only to Europe but to the United States, to Michigan, Kansas, Dakota, Illinois and the western states, and by means of the literature they distributed and the information they were able to give, the stream of immigration was turned back again and every year since, that stream flowing into Canada has increased and continues to grow as the years roll on. What does the last year show ? Why, from 1890 to 1896, only 271,216 immigrants were brought into Canada, and the public returns of the census showed that these immigrants did not remain in Canada. But from 1897 to 1903 no less than 366,946 immigrants came into Canada, or an increase in those seven years of 95,730. In those seven years the settlers' effects that were brought in were nearly a million dollars more than they were in the previous seven years ? Our Conservative friends may say that those immigrants did

not remain in Canada, but we have a test which will show that they did. Take the returns of the homestead entries and what do we find ? In 1896 there were only 1,857, whereas in 1903 they amounted to 31,330. From 1890 to 1896, there were only 22,845 homestead entries, and in the last seven years they increased to 75,530, showing an increase of 52,685. Why, we increased the homestead entries more in the last seven years by nearly 13,000 than they amounted to in the whole eighteen years of Tory rule. We have proved conclusively that the immigrants we are now bringing in are remaining in the country and helping to build it up, and it is exceedingly gratifying to know that the class of immigrants we are getting is of the very best character. Last year 80 to 90 per cent of those who came were the very best class we could desire—from the United States, Great Britain and Scandinavia. The inferior class, which we do not desire, went to the United States. I think that this record of prosperity must be exceedingly gratifying to the people, and that the government, in adopting the regulations they have made, in the perfecting of the system of cold storage, and in the encouragement and improvement of the making of butter and cheese, have contributed to a great extent in bringing this about.

The government have also been wise in other directions. They have not confined their legislation to the farmers and manufacturers, but have been looking particularly after the interests of the great labour and artisan classes. I say that the man who works behind the plough, the girl who sweeps out the office, are the class which any government should protect. They are the helpless ones who need aid, support and encouragement. The wealthy men and rich corporations can look after themselves, but the man who is alone in the field, the man who shoves the plane and guides the plough is the man the government should look after and protect. What has this government done in that direction ? One of the first things they did was to abolish the sweating system. Of all the iniquities that ever disgraced the annals of any country, the most disgraceful, was the condition which existed under the late government in the sweating system. It has been proved beyond doubt by the commission which was appointed to investigate this system, that in Montreal and Toronto the big contractors who had secured contracts for supplying clothing to the militia and who were given big prices, sub-let those contracts to others, who in turn again sub-let them, and it was proven beyond a doubt that poor women in Montreal and Toronto were forced to work the whole day long making this clothing at the rate of 25 cents a day.

This great Dominion of Canada, though paying out large sums for the manufacture of these goods, did not regard the rights of the poor people, but neglected their interests and so enabled the contractors to fleece them, to reduce their wages to a starvation level. This government at once abolished that system ; they provided that every contractor, no matter what his colour, nationality or creed might be, should pay the current rate of wages to every person working on the job. Whether the contract was for the building of a post office, the construction of a wharf, dock or pier, the making of a railway, the digging of a canal or the manufacture of clothing required for the army and navy, every person engaged in the work must be paid the current rate of wages, whatever that might be. And so, this government has looked after the interests of those who, above all others needed the government's guidance and support and protection. I remember when, but a few years ago, a scandalous case arose which was discussed at some length in this House. The contractor who was building a railway—I think it was the Toronto, Hamilton and Burlington—sub-let his contract to an American. The American sub-contractor came over here, employed a large number of men, and set them to work on the railway. A progress estimate was made of the work done, and the sub-contractor was given his pay, with which he cleared out, and not one of these men received from him pay for the work they had done. Some time after, application was made to this parliament for an amendment to the charter of the company. And, under this government, a stipulation was made that before that legislation was passed and the amendment made, a settlement had to be made with the men who had done the work on the railway but had not been paid for it. I remember another case in the western part of Ontario. The government let a contract, and the contractors sub-let the work, and the sub-contractors defrauded the men out of their wages. But this government stopped all that. Under the present system, they can say to the contractor : It does not matter to us whether you sublet your contract or not ; but if you do sublet it we will not pay you a single dollar until every man on the job has received his just wage. Is not that what a government ought to do ? It is to the credit of this government that they had this law enacted since they came into power and that they have carried it out so efficiently. Then, they have brought into force a Conciliation Act with a view to avoiding those strikes and lock-outs arising out of difficulties between manufacturers or contractors and their employees ; and I am glad to say that, under the efficient administration of the Minister of Labour (Sir William Mulock) this Act has been the means of avoiding a great many strikes and settling a great many difficulties that would have been an injury both to the men and their employers. So, in these cases—and many more might be cited—the government have shown themselves to be progressive ; they have moved forward with the times ; they have

not only protected and encouraged, as I said, the great agricultural classes and the manufacturing classes, but they have also looked after the rights and interests of the artisans and labourers, who so much need the assistance of the government.

Looking over the government's record, I cannot but believe that the tariff revision next year which they have announced will be one that will help the great industries of this country as well as the great body of consumers. The government have shown their ability in the past to solve the difficult questions involved in a tariff policy. and to do it in such a way as to bring about great prosperity to the Dominion. And so I believe that, when the revision of the tariff takes place next year, changes that are needed will be found to be wisely made. There are some articles the duty on which could be advantageously increased, while on some others a reduction would be in the interest of the country. You can afford protection to manufacturers in either of two ways—by increasing the duties on what they manufacture, or reducing the duties on their raw material. A reduction of the cost of raw material enables them to sell their goods at lower prices than before, and so to increase their sales and relatively reduce the cost of their manufacture. This was largely the plan adopted by the government in 1897, and I feel sure that when the revision takes place next year it will be made on broad lines that will prove the wisdom of the administration.

The hon. gentleman (Mr. Lennox) who preceded me said that the expenditure of the Dominion had largely increased. That is quite true. It is also true that when we were in opposition we condemned the expenditure of the then Conservative administration. But we not only condemned the expenditure ; we pointed out instances of sheer waste of public money. It is no argument to say that the expenditure has increased and to infer at once that this is conclusive proof of the extravagance of the government. This government has been spending more money it is true ; but the country has been growing and more expenditure has been necessary. Take any corporation or any firm in a large way of business, and you will find that their expenditure is very much larger than it was seven years ago. This government has done a business of $467,000,000, against a business of $239,000,000 seven years ago. It would be absurd to expect this increase in business to be effected without an increase of expenditure. When we were in opposition, we condemned the public expenditure, which was then about $37,000,000 or $38,000,000. But we also pointed out specific cases in which public money might have been saved ? We pointed to the Curran bridge in Montreal, where $470,000 of the people's money was thrown away. We showed that we had here a Minister of Railways and Canals, a deputy minister, a chief engineer and all the necessary staff, and yet, within telephone and telegraph communication, within 120 miles, of the city of Ottawa a work was carried out that cost the people $470,000 more than it should have cost. We pointed to the Tay Canal, where $500,000 of the people's money had been spent. We showed that it cost to operate that canal $3,000 a year and that the total receipts were $127.76. We pointed to the Langevin block, on which $400,000 was expended uselessly. We showed that the government had let a contract for that building, and that it was afterwards found that the contract was so loosely and carelessly drawn that the contractor was not obliged to put a roof on the building, and so a new contract had to be made for the roof.

In that way we pointed out case after case where the money of this country was squandered in many ways and enormous sums spent uselessly. If our Conservative friends could point to the same conditions to-day, if they could show where money is being wasted as we showed before 1896, then I think they could make a case against us. They are not justified in pointing to the increased expenditure when they know that when they left office they had started the deepening of the St. Lawrence and Welland canals, had let contracts for these works, and that it was necessary for this government to go on and complete them. If I remember correctly, we have expended more than $11,000,000 in carrying out and completing work started under their regime. The Trent Valley canal was started under them—$1,000,000 were spent upon it, contracts were let, and it was absolutely necessary for the new government to go on and complete that work. Thus we have spent a great deal of money upon it. We have extended the Intercolonial Railway to Montreal. That extension was fought and opposed at every stage in this House by our Conservative friends. It was called the Drummond County deal and the Drummond County steal, and all the opprobrious names they could think of. Now, realizing their mistake, they want to extend the Intercolonial Railway to Georgian bay. We wisely spent $1,000,000 or $1,500,000 in extending it to Montreal. The Intercolonial Railway before that stopped at Lévis, although the great metropolis of Canada was almost within a stone's throw of the end of the line. The Intercolonial Railway was obliged to take whatever rates the Grand Trunk would give them on freight that went to the maritime provinces, but immediately the line was extended to Montreal it was in direct competition with the Grand Trunk Railway, the Canadian Pacific Railway, the Canada Atlantic, and all the enormous traffic that came down the Welland canal. In consequence the receipts of the Intercolonial Railway have more than doubled in the last seven years and are increasing year by year. It is true that we have spent a great deal

of money on the Intercolonial Railway, but that was absolutely necessary. The enormous development that took place in Sydney made it necessary that the road should be laid with heavier rails from Port Mulgrave to Sydney. That stretch of road had been laid with rails of only 45 pounds to the yard. It was absolutely necessary that a new steamer should be bought. The old ferry took over one car at a time and then came back and got another. That would do in Conservative times, when the country was standing still, but when the country began to move forward by leaps and bounds, when the life blood of this nation was running at a higher rate of speed than ever before, when new life permeated this whole Dominion, then we had to move forward. It was necessary to provide a steamer to carry trains across the Straits of Canso. It was necessary that that section of the road should be laid with heavy 90-pound rails, and this was done. The terminal facilities at Sydney were altogether too small, and the same conditions prevailed in Halifax and St. John. New cars had to be obtained, the bridges had to be strengthened, rails had to be relaid, locomotives had to be replaced, the little tu'penny-halfpenny one-horse locomotives that could only haul half a dozen cars would do all right when this country was governed by the Tory party, but when a new party came in, then it was necessary that we should move forward with the times and improve our position. The Canadian Pacific Railway and the Grand Trunk Railway have spent millions of money in the last seven years in providing new cars, in increasing their locomotive equipment, in relaying tracks, in strengthening bridges and replacing wooden bridges with iron and steel structures. The Intercolonial had to do the same thing. We have spent large sums of money on the Intercolonial Railway, but to-day we are reaping the benefit from that expenditure. I believe that this expenditure has now almost ceased, and we shall reap a large revenue from the Intercolonial, I have no doubt, within the next few years.

Then the government has also expended a large amount for the construction of the Crow's Nest Pass Railway. The development taking place in the Kootenay district made it absolutely necessary that a line of railway should be extended into that country, and the Crow's Nest Pass road was built. The government had the choice of either building the road themselves or subsidizing the Canadian Pacific Railway for building it. It was thought that if the government built that road they would have a piece of road with no connections to the east or west, and would be absolutely at the dictation of the Canadian Pacific Railway, or any other road or roads, in the matter of freight rates of freight they might get over it. Thus the government wisely concluded that it was better to subsidize the Canadian Pacific Railway to build that line. But they took great care to protect the rights and interests of the people of Canada. They said to the Canadian Pacific Railway: You must give to the Dominion of Canada a fee simple to 50,000 acres of coal lands. The Dominion of Canada have to-day a deed in fee simple to 50,000 acres of the best coal lands there as a guarantee that the obligations of the Canadian Pacific Railway will be carried out. They stipulated, in order to avoid the discouragement or embarrassment to manufacturers or smelting works that might start there, that there should be no monopoly on coal. The government stipulated that coal should be furnished to those who required it at a fixed rate of $2 a ton at the pit's mouth, and, as a guarantee that they would carry that out, they were to deed to the government 50,000 acres of coal lands, so that if they should disregard their obligation, we have this enormous reservoir of coal which we can open up and so control the markets and the price. Not only that, but they stipulated that the Canadian Pacific Railway should give running powers to any other road that is now built or that may be built in Canada over the Crow's Nest Pass for all time to come. As long as the sun shines and the rain falls that road will be under the control of the Dominion of Canada, and the government can give running powers over it to any road upon terms to be settled by the Governor in Council. They also stipulated that the Canadian Pacific Railway should give reduced rates between the east and the west, and it was estimated that the concessions made by the Canadian Pacific Railway to the people of this Dominion would amount to between $600,000 and $700,000 every single year. That estimate was based on the amount of freight handled at that time, and, of course, the figures would be very much greater now. In five years the people of Canada got back every single dollar of the subsidy given to the Crow's Nest Pass in the reduced rates on traffic both ways between the east and the west. These concessions will still go on all along the years, so that the bargain made by the government was a wise one. But, of course, it takes a considerable amount of money. We cannot have our cake and eat it, too; but it was a wise thing to do, it was a wise expenditure, and I have always taken the position that I do not care what the expenditure is, $25,000,000, or $50,000,000, or $75,000,000 a year, so long as we get value for it. If it gives good returns to this country it is a wise expenditure. This government, by their wise administration, have been able to go on with great works, have been able to deepen the canals, to extend the Intercolonial Railway to Montreal, to subsidize the Crow's Nest Pass Railway, to subsidize all the different railways running all over this Dominion and to construct public works necessary to the convenience and prosperity of the people in the mari-

time provinces. My hon. friend from Simcoe (Mr. Lennox) pointed to the fact that little wharfs and piers were built where there were very few settlers. It is the life and salvation of these fishermen down east that these wharfs shall be provided for them and the government have, by meeting the wishes of the people and providing all these necessary conveniences, aided, encouraged and increased the happiness of the people to a very great degree. Not only have they done that but owing to the wise care which they have exercised in the management of the affairs of this country, notwithstanding the large expenditure they have made on the public works of this Dominion, in subsidizing railways, in deepening our canals, in extending the Intercolonial Railway to Montreal, at the end of seven years we find the public debt of this Dominion $1,000,000 less than it was in 1896. Contrast that with the record of our Conservative friends. For the eighteen years they were in power they added $6,700,000 every single year to the debt of this Dominion. Not one single year passed by in the whole of the eighteen years during which they did not add $6,700,000 to the public debt and in the eighteen years that they were in power they increased the public debt by $118,000,000 while this government have been able to carry on the public works and improve the conditions of the people, increase their comforts, facilitate and improve transportation and open up the canals, doing all this work and at the same time relieving the people at the end of seven years by reducing the debt to the extent of $1,000,000. This is a record that any government might be proud of. I am sure it is a record that the people of this Dominion will look upon as one of the best records that was ever made by any government. It is a record I am sure will meet with the approval of the people and when the elections come on, be it sooner or be it later, I have no doubt that from one end of this broad Dominion to the other the people will say: Well done, good and faithful servants ; enter ye into another seven years of power.

Mr. E. D. SMITH (South Wentworth). Mr. Speaker, I am very sorry that we on this side of the House are not able to please hon. gentlemen opposite in regard to the length of our speeches. If an hon. gentleman rises on this side of the House to make a lengthy speech some hon. gentlemen opposite is sure to say that the time of the House is being wasted. But the hon. gentleman who has just resumed his seat (Mr. Campbell) found fault rather with the shortness of the speeches which have been delivered on this side of the House. He evidently wants quantity rather than quality, and I am sure the House will agree with me when I say that he has set a worthy example in that respect during the last hour and a half. It is true that the hon. gentleman went over a great deal of ground, and I am sure that hon. members who have been longer in this House than I have been, must admit that they have heard a great deal of that speech once or twice before ; an hon. gentleman beside me says six times. The chief argument throughout the hon. gentleman's speech was, that, this country being exceedingly prosperous, the government in power at the present time are entitled to the credit for that prosperity. Last night we had an excellent speech from the hon. member for South Brant (Mr. Heyd). But that hon. gentleman was more modest. He was willing to give Providence credit for at least some small portion of the prosperity we have had in this country during the last few years. But, the hon. member for West York was not at all satisfied with the statement of the hon. member for South Brant because he was willing apparently to take credit on behalf of the government for all of the bountiful harvests that we have had for the last five years. The money value of these harvests, or of the good crops that we have had during the last five years, I am informed on good authority, is something like $500,000,000 greater than it was in the previous seven years. I do not know whether the hon. member for West York is willing or not to say in public that the government has had anything to do with the raising of these magnificent crops. But, it is evident from the tone of his remarks that he thinks it has. The hon. gentleman, as usual, takes a great deal of credit to the government because of the increase in our exports and imports and he wishes to gauge the prosperity of the country on that basis. In regard to our exports and imports he lays a considerable amount of stress upon our exports of agricultural implements. He scores the government that preceded this one on the ground that during the time it was in control of the affairs of this country our agricultural implement manufacturers were not exporting large quantities of agricultural implements while at the present time they were exporting to the extent of $2,228,000 a year. The hon. gentleman might have gone a little farther. He might have stated, if he had desired to be absolutely fair, that in 1896 we did export $593,464 worth of agricultural implements. The business of manufacturing agricultural implements in this country only got on its feet some twelve or fifteen years ago. After the national policy had been put in operation the effect was immediately manifest. The larger proportion of the agricultural implements used in Canada were made in this country and the manufacturers got into the position of being able to export a large quantity of these products. This export in 1896 amounted to no less than $593,464. But, that was not all. At that time the manufacturers of these implements gave employment to our own good Canadians who made almost all of the imple-

ments that we used in this country. We imported only $304,000 worth. What is happening to-day? Although we exported $2,228,000 worth we imported $3,255,000 worth under this magnificent tariff which is now in operation. Of course that goes to swell the export and import total and the hon. gentleman takes credit for that condition of affairs. I am sure the people are not satisfied with the fact that three and a quarter million dollars worth of agricultural implements were made across the line that should have been made in Canada. The hon. gentleman who spoke previously, said that a protective tariff of twenty per cent had brought these large factories to the city of Hamilton that are locating there at the present time. I am bound to say that even a twenty per cent protective tariff will in some cases bring industries into this country—not in all cases. Here is an example. For a great many years the International Harvester Company, the McCormicks, the Deerings, and other large manufacturers of agricultural implements on the other side of the line consented to pay that twenty per cent duty, brought their implements into this country and sold them in competition with those of our own manufacturers. It is true that they charged a little higher prices, but twenty per cent when the implement is invoiced at not more than $50 is not a very serious item and they were able not only to maintain their position on equal terms with the Canadian manufacturers but they were able to retain a foothold in the market in the hope relying upon the assurances of hon. gentlemen opposite that when they got into power they would have a free trade government or that they would have unrestricted reciprocity and that they would then be able to bring their implements in free. But, when this government had been in power a number of years and when these manufacturers found that these hon. gentlemen were not prepared to carry out the principles upon which they had appealed to the people previously to the election, they came to the conclusion that both political parties in this country were determined to maintain some sort of protective tariff, and that the only thing they could do was to come across the line. But, this was not until after the lapse of a long number of years and until after we had imported into this country scores of millions of dollars worth of these agricultural implements the manufacture of which had given employment in the United States to thousands of men. At last this low tariff brought this industry to this country. What would have been the consequence if instead, a twenty-five or thirty per cent tariff had been put on and that tariff had been maintained all these years and that the Liberal leaders had not preached free trade? The implement manufacturers on the other side of the line would not have believed from the assurances of these hon. gentlemen while in opposition that there might be a change in the policy of this country but they would have known that protection was the fixed policy of this country with the result that these industries would have been brought into this country fifteen years ago instead of now.

Had that been done then, we would have been saved from sending out of this country millions of dollars in capital, and thousands of Canadians to work in the factories of the United States. The hon. gentleman claimed that these industries were brought to Canada on account of the present tariff, but he did not say that it is absolutely the same tariff now as under the Conservative regime so far as agricultural implements are concerned. The hon. gentleman tried to show that our prosperity was in some way due to the Minister of Agriculture, who, being a horny-handed son of toil, and knowing everything about agriculture, set to work to revolutionize matters when he took charge of the department. Well, one of the first things the Minister of Agriculture did was to go to Washington with the Hon. John Dryden to induce the Americans to do away with the cattle quarantine. That was a wonderful accomplishment of the minister. The Conservative government maintained a quarantine against American cattle for years, so that Canadian live cattle might be allowed to enter into the United kingdom. It was admitted by the English government that our cattle were free from disease, but the embargo was maintained as a matter of protection to the British farmer. However, when Mr. Fisher came into power, he got the cattle quarantine between Canada and the United States removed, and so he gave up all hope for ever of having our cattle admitted into the English market. Last year we exported to the United States 10,432 head of cattle, valued at $292,000, or an average of $27.90 cents per head. Well, any farmer who would send an animal worth only $27.90 to be fattened in the United States is not a good farmer. The good farmer is the farmer who will fatten his cattle at home. Did not this government remove the duty on American corn, to compel the Canadian farmer not to grow corn himself, but to buy foreign corn in order to fatten his cattle? However that may be, a few farmers sent cattle to the United States last year to the value of $292,000. But the hon. gentleman (Mr. Campbell) did not say a word about the fact that last year we imported $497,000 worth of American cattle into Canada. The hon. gentleman is quite satisfied to let the Americans send in half a million dollars worth of cattle, if he can only find a market in the United States for $292,000 worth of calves and lean animals. But, our cattle trade with Great Britain is not a trade in lean cattle and calves. It is a trade in fat cattle, as will be seen from

the fact that last year we exported to the British market 161,170 head worth $10,842,000, or an average of $67 a head. These were fat cattle fattened on Canadian farms, and exported to the British market in their finished state, as they should be exported by good farmers. Gentlemen on the other side of the House boast year after year that they have taken down the cattle quarantine regulations so as to enable us to send $292,000 of calves and lean cattle to the United States, forgetting to state that American cattle to double that value were imported here. What have they done to open up the British market for our cattle? Nothing. What have they done to open up the German market for our own produce? A few years ago we did a trade with Germany amounting to $4,000,000 or $5,000,000 worth of agricultural products more than we do to-day. But that trade has disappeared. I will not say the government did wrong in putting the surtax on German goods, but I do say that if they claim credit because we sell $292,000 worth of cattle to the United States, they must also have the discredit of destroying that large and profitable market which we had in Germany.

Mr. CAMPBELL. Why do the farmers send their cattle to the United States?

Mr. E. D. SMITH. The hon. gentleman can ask the farmers that; I suppose it is because the hon. gentleman made it easy for them to do so. Now, I am not one of those who say that a government cannot do anything to assist in making the people of a country prosperous. I believe a government has it in its power to do a great deal in this direction, and I am glad to know that the Liberal party have changed their opinion on that matter, because twenty-five years ago when the farmers came to the Mackenzie government to ask for relief and assistance, they were told to go home and work harder, that governments could do nothing because they were merely flies on the wheel. I want to point out to hon. gentlemen opposite some things they might have done to benefit the farmers of Canada, and which they have neglected to do. I want to remind them that the agricultural industry is the greatest in this country, and while this government is increasing the duty on woollen goods, and increasing the duty on other manufactured articles, with all of which I perfectly agree, they have forgotten the farmers of Canada. Why didn't the government help the market-gardeners? Where is the member for West York (Mr. Campbell) on that question? When we on this side strenuously advocated the cause of the market-gardener the other night, where was the member for West York (Mr. Campbell). Unfortunately, and I sympathize with him greatly, he was selected at that particular time to act as speaker. I am sure the member for West York regretted that. I am sure he regretted that he could not make one of those stirring speeches of his in favour of the market-gardeners. I am sure he was sorry he had not an opportunity to vote in favour of a higher tariff for the market-gardeners, particularly in view of the fact that on many other occasions he had neglected to avail of such an opportunity. I am told that the boundaries of the constituency of West York have been changed, and that the market-gardeners are no longer in force in that riding. Perhaps that may account for his failure to-night, to make a plea for the market-gardeners. Let me point out that the trade returns show, that last year we imported into this country a very large amount of agricultural products. Our manufacturers have a duty of from 25 to 35 per cent on their products, or an average of 28 per cent omitting the agricultural products, which I will enumerate, but the agriculturists are not so favoured. Last year we imported the following:

Articles imported.	Value.	Rate of duty collected. Per cent.
Butter	$ 145,221	15
Cheese	50,296	16
Lard and lard compounds	43,543	18
Bacon, ham, shoulders and sides	411,068	14
Pork, barrelled	497,592	21
Poultry and game	60,101	20
Other meats, fresh, dried and salted	102,553	20
Seeds	437,630	10
Tallow	6,432	16
Melons	16,331	25
Tomatoes, fresh	69,014	19½
Vegetables, fresh or dry, salted	210,983	25
Animals, living	1,507,619	20
Grain and grain products	1,375,255	15½
Cider	2,856	10
Eggs	122,590	14
Apples, green or dried	90,204	15
Blackberries, raspberries, strawberries, gooseberries cherries, plums, quinces, cranberries and fruits, n.o.s.	261,521	23
Hay	126,646	12
Hops	162,394	22
Trees and plants	56,379	23
Total	$5,756,228	

The average rate of duty was 18 per cent. What I want to know is, if it is right and proper, and I say it is, that the manufacturers of this country should be protected to the extent of 28 per cent, why is it not equally right and proper that the farmer, who toils day and night, who earns his money as hardly as any other people in this country, should also have protection? I know that hon. gentlemen opposite will

smile and sneer, and say, of what advantage is it to put a duty on wheat, cheese or butter? Do we not export enormous quantities of these products, and does not the Liverpool price fix the price in Canada? Then what is the use of putting a duty upon them? It would not raise the price a single cent. I say if it does not, put it on; it cannot do anybody any harm. But I fancy if would have the effect of giving the farmers of this country their home market for these $5,756,000 worth of agricultural products which are now imported, instead of their taking the chances of getting their products damaged and spoiled by sending them across the Atlantic. The home market is the best market. Almost everybody will admit that. Hon. gentlemen opposite, who used to sneer at the idea of a home market for the farmers, are now coming to the conclusion that it is their best market. I want to preserve this home market for the farmers, and it can be preserved for them, by giving them as high a duty on their products as is imposed on things they have to buy. That is fair, surely.

Let us discuss some of these items separately. I want to know why the farmers of this country cannot supply this market with butter, cheese, lard, pork and grain products. Then, I want to speak of another class of goods that are luxuries. However much we may disagree with hon. gentlemen opposite with regard to other things; however strong protectionists we may be, and however honestly we may hold our convictions, however consistent we may have been during the last twenty-five years with regard to protection, and however inconsistent these hon. gentlemen may be in that matter; we can, I believe, all agree on one thing; protectionists, free traders and revenue tariff men will agree that luxuries should be taxed a little higher than the necessaries of life; and a large proportion of these agricultural products that come to this country are luxuries, and as such they ought to pay more than 28 per cent. They ought to pay at least 35 per cent, which is a common rate of duty in our tariff. Just consider that we bring in seventy-nine carloads of these green tomatoes which our market-gardeners around our cities and town could grow. They are a class of men who are industrious, frugal, persevering and hard working. Our market-gardeners and fruit growers are two classes of men who perhaps earn their money as hardly as any other class in the country. Their productions are subject to droughts, frosts, floods and all manner of insect pests, and they have to be continually on the fight. Theirs is a business that calls forth the highest kind of intelligence, and they are a class of citizens who form the backbone of the great agricultural class. Their life is one that necessarily calls forth the highest qualities in a man. These men employ a great many men in their business. This government are paying out millions of dollars a year in bonuses. I think we have paid up to date over $4,000,000 in direct bounties to establish industries in this country. What are these paid for? Is it not to give employment in this country? I think that is the great object; and, if so, there is no class among farmers that employ more men than the market-gardeners and fruit growers. They employ ten times the number of men to the square mile that any other class does outside of manufacturers. These are a class of men who ought to be encouraged. They are engaged in an occupation which is particularly hazardous. They ought, therefore, to have at any rate as much protection as is accorded to other industries, namely, 28 per cent. But, as a matter of fact, they are only getting an average of 18 per cent. But the tomatoes I have referred to are luxuries and ought to be subject to a higher duty than the average. They ought to pay 35 per cent or even 45 per cent; but they have to pay only 19½ per cent. No wonder the market-gardeners are complaining every year that they are not properly treated by this government. The wonder is that the hon. member for West York (Mr. Campbell) has not been more powerful—has not raised his sturdy voice in council and before the Minister of Finance from time to time on their behalf. I am sure that if the hon. gentleman had raised his influential voice on this question in the manner he has done on other questions, he would have convinced the government that 19½ per cent protection is not sufficient for the market-gardener. Go over the various items which the market-gardeners grow, and you will find that the duties are below the average and that these gentlemen have a just grievance against the government.

I might take up another department of these agricultural products—the fruit industry. I find that we imported into this country 28,391 barrels of apples, 200 carloads, and exported some 20,000 carloads. No doubt hon. gentlemen opposite will say: if you export in such large quantities, what good would it do you to put a higher duty on the small quantity you import? It would not raise the price a cent. Well, let us have the duty in any case. We will then get the market and that is what our farmers want. What they want is a market at their doors for the 28,000 barrels which they now have to send across the ocean, but which would be consumed at home if these 28,000 barrels of American apples did not come in. They would have that much less to send across in the magnificent cold storage system, of which hon. gentlemen opposite boast so much and to which I shall refer later. Of dried apples we imported no less than eight carloads, and I suppose we had a thousand carloads last

year lying upon the ground which went to waste, for a small portion of which this home market might have been preserved. We imported no less than 1,214,239 pounds of cherries and others of those small fruits, which are absolutely luxuries. Turning to the months in which we imported those articles, I find that they were brought in a few days and weeks before our own could be put on the market. But they took the keen edge off the appetites of the consumers of these luxuries. The men who consume these are men well able to pay a little extra duty. I am sure that the hon. the Minister of Finance would not object if there should happen to be a little more money in the treasury. He has a great transcontinental railway scheme on hand, which he will find he will not be able to build for $14,000,000. He will find that his surplus of $14,000,000 or $15,000,000 will not be sufficient to build a road which is to cost $150,000,000. He seems to think it will, but in my experience, and I think it is the experience of most business men, when you want to buy a farm, you will not be able to pay for it out of the interest. You will either have to put down the cash or give a mortgage for the capital sum, and will have to pay the mortgage when it falls due. The hon. minister will find the same thing in the case of his transcontinental line ; and if by raising the duty on those early products, a little more money should go into the treasury, paid by people who can well afford to pay, I am sure he will have no objections. But I am confident a great deal less will come in if the duty is raised, and the keen appetite of the consumers will be preserved for the first products of our own fruit growers and market gardeners. They will be given the opportunity to take advantage of the early market. I may point out that the quality of the fruits produced in Canada is superior to that of any brought a long distance.

Besides these, we also imported no less than 43 carloads of cranberries. Is there any province in the Dominion where we cannot grow cranberries ? We can grow them in every province, yet we have had to import 43 carloads. And of peaches we imported no less than 150 carloads, also 82 carloads of plums, 294 carloads of driend prunes and 150 carloads of other dried fruits, making a total of 444 carloads of dried fruits. Of canned fruits we imported 40 carloads. I want to say a word with regard to these plums and peaches. Everybody who lives in Ontario, especially in the southern portion, knows that we can grow those products there in superabundance. Not only can we grow enough to supply this Dominion, but to supply another dominion as well if we only had proper encouragement, but there are some things we need. We need better varieties. Those can be secured to a large extent by experimenting, and that can be done by the government a great deal more economically than by several thousands of different fruit growers. We have an experimental farm in British Columbia, two in the Northwest, one in Ottawa and one in Nova Scotia, covering a great variety of climate, but not one is so situated that those in charge of it can do anything in the way of experimenting with regard to the varieties of fruits grown in such quantities in the southern part of Ontario. Not one can grow fall wheat or Indian corn. We want an experimental farm in the southern fruit belt which will enable us to test the various kinds of fruits produced and do something in the way of hybridizing and creating new varieties, which will enable us to discover varieties, that will carry better than those we have at present. But even with the varieties we have we could supply the Northwest with all its requirements, if proper encouragement were given in the way of higher duty. Very large quantities of the fruits imported are a little earlier than our own, but there are very large quantities also which invade our markets when our own fruit can supply them. It may then be asked how is it that we do not do so ? One of the chief reasons is that our plums and peaches, being of a perishable nature, cannot, be set up on the shelves and sold like hardware or groceries or dry goods as the California plums and peaches can. These California fruits can be placed on the shelves and sold almost like turnips, and a good many of them do not taste very much better. Nevertheless they are handsome and have great keeping qualities, and the dealers prefer to handle them, no matter if their quality is not as good as ours, because they will keep longer and occasion no waste. The dealers can put them on the shelves and keep them there from day to day until somebody comes along and buys them. They know exactly what profit they can get, just as in the case of dry goods and groceries, and have not to take into account any waste, whereas Ontario fruits require a good deal of skill in the handling and a good deal of energy and care. They must be put upon the market immediately, and the dealers must use energy and skill to have their customers take them off their hands quickly. That means trouble and annoyance, which the dealers in the Northwest do not like, and who can blame them ? That is the position in which our fruit growers are to-day. Then the dealers prefer to push these goods, on which they have no loss. They send their travellers all over the country. The wholesale fruit firms in Winnipeg are a very great power in that country, far different from the fruit dealers here. Here fruit is grown around every city, and a large portion of it is handled at retail upon our markets. But, in that great city of Winnipeg almost every pound has to be brought in, and the handling of that fruit is an enormous industry. So, the wholesale fruit merchants are a power. These fruit

merchants being able to handle this California fruit with so little loss are a powerful force against us. We want the government to come to our rescue and be a powerful force on our side. Surely it is to the interest of the government that this great industry that can be carried on so well in Ontario and in British Columbia should be made magnificently successful. For British Columbia is now coming forward as a fruit growing country. It is well known that in large districts in British Columbia fruit can be grown as perfectly as here, and in some places they grow fruit that will ship better than ours will. It is to the interest of the fruit growers of British Columbia and of Ontario to secure this market in the Northwest. Here, we have the great market of the Northwest, with a splendid fruit section on the coast to supply the western half of it, and another fine fruit section in Ontario to supply the eastern half. All we want is the assistance of the government to get a firm hold on that market. A few years ago, we had no hold upon it, no systematic effort being made on behalf of Ontario fruit-growers or on behalf of British Columbia fruit-growers to assure Canadian fruit of a place in that market. In British Columbia the fruit-growers business has been, until very lately, in its infancy. You will read in the Winnipeg newspapers that the Ontario fruit-growers are a lot of fools and do not know how to pack fruit. That is the method the wholesale dealers use to induce the people of the Northwest and Manitoba to believe that Ontario fruits are not the fruits to handle. I do not blame them. It is a matter of business with them, because they can make more money out of California fruit. But a great many people who come from Ontario, especially those now living in Manitoba, want our fruit. If it were not for the retail dealers who come from Ontario and the consumers there who know the fine, luscious quality of our goods, we would not get a little piece of that market. because, as I say we have the wholesale dealers against us. But, as long as we have the retail dealers and consumers on our side, we can capture a considerable portion of that market. We want to get into such a position that the Winnipeg merchants will find that they have to handle the Ontario fruit, and when they handle it they will find a way to get it into the hands of the consumer. Here, I say, is a way in which the governmen can do something for the farmers of this country. They have not done it, but they ought to do it. If some hon. gentlemen opposite who speak in such laudatory terms of the government would spend the same energy in urging upon the leaders of the administration the importance of this method of doing something for the farmers, the fruit-growers and the market gardeners of Canada, they would be accomplishing more than by lauding the government to the skies in the speeches they make in this House.

These are some of the ways in which the government can help the producers of this country. And I take it that the producers are the class who ought to be helped if any help is given out by the government. Almost everybody is a producer of something to sell ; farmers, manufacturers, miners and lumbermen are all producers, and these give employment to almost the whole population of our country. If the government looks well after the producers, I take it the consumers will be able to take care of themselves. A country in which the producers are making money is one that can afford to pay well persons engaged in professions, or others not producers. The producers of Canada can be assisted in different ways. I have mentioned one, and there is another, and a very important one. It is all very well for us to grow the best products, to manufacture the best goods ; but this will be of little use unless we can get these products and these goods to the market. It is true our home market is our greatest market, that it probably takes nine-tenths of our whole product. Nevertheless we have a surplus. As a great agricultural country, no doubt it will be a great many years before we shall be able to consume in the Dominion all the products of our farms. For many years to come we must have a large surplus to sell. And so, the government can do a great deal to assist us by perfecting the means of transporting our goods to the markets of the world, in the cheapest and most perfect fashion. We know that, in one respect we are situated more favourably than any other country, while, in other respects our situation is not so favourable. We have the advantage of a great system of water transportation, including the magnificent river which carries our cargoes to the seaports. Even large ships can come far up into the interior of our country. But we know that our neighbours to the south, being energetic and determined that they will have, as they have had in times gone by, the major portion of the trade of carrying these goods, are continually improving their transportation facilities. It is the duty of our government to leave no stone unturned by which they can improve our transportation facilities and cheapen the carriage of our goods. I know they have undertaken a gigantic scheme to bring a portion of these western products to the sea-board. For my part I think that a large portion of that scheme will not tend to cheapen the cost of transportation. In no degree can it be shown that this extravagant scheme, calling for the expenditure of an enormous sum of money, and requiring the hauling of the goods for 1,800 or 1,900 miles through a country which is unproductive, can possibly be the cheapest means of carrying those

goods out of the country. I think if even a small portion of this money were spent upon our great waterways and in the development of that system of transportation, far better results could be obtained than by the expenditure of this enormous amount on the scheme proposed by the government. We find that, in shipping grain from the upper lakes to Montreal, we have an advantage over New York of not less than 1½ cents per bushel. But we find also that, when grain has to be transhipped at Montreal for Liverpool, we lose that 1½ cents per bushel. The St. Lawrence route, though shorter than that by New York, is not developed. There are many hindrances, many obstacles, all of which I believe, could be removed by an energetic government. When we are compelled to pay at the port of Montreal so high a rate on goods brought down through our magnificent system of canals, which by the way was inaugurated and nearly completed under a Conservative administration —the advantage which the country gains from its enterprise and great expenditure is neutralized. I find that last year we exported from the port of Montreal $70,000,000 worth of goods. For instance we exported 24,272,390 bushels of wheat, and on that we were compelled to pay 1½ cents a bushel more than would have been paid for the carriage of wheat from Boston or New York. That amounts to $364,085. I find that we exported from that port 21,182,840 pounds of butter and on that we paid 5 shillings a ton more than we would pay from Boston or New York. That amounted to $12,709.

We exported from Montreal 184,494,040 tons of cheese. We paid on that 3s. and 9d. a ton more than we would pay from Boston or New York. That amounted to $83,022.

Of apples we shipped 800,987 barrels and paid 10 cents a barrel extra on them. This cost us $80,098. That makes a total of $539,914.

At the same ratio, if we took the balance of exports from Montreal and found the increase—I have no doubt that the freight rates were in the same proportion—we will find that the total excess freights amounted to $829,920. As the price we received for these export goods, to a large extent, sets the price of the goods sold in this country, there is no doubt that we lost a good deal more than this. It may be safely said that we lost $1,000,000 because the route from Montreal out past the banks of Newfoundland is not in the condition it ought to be in. First of all, the ships have to go slow a large part of the way, and cannot make good time. Then occasionally wrecks take place, and we have in consequence high insurance rates. The port of Montreal has large harbour dues, and all these things combined with others that might be mentioned go to make up the reason why our steamers have to charge a higher rate of freight from that port notwithstanding that many of them are bonused. We pay out annually something between $100,000 and $150,000 to these steamers simply to come to Montreal. Ostensibly this is paid for the carrying of mail matter, but we only sent about thirty-nine tons of mail matter to the old country in the last year, and if you quadrupled the rates on ordinary freight the freight on this mail matter would be only $1,500; yet we paid $150,000 to one line of steamers to go to Montreal and St. John, so that we ought to have the very best service there. Some people say the insurance people have no right to charge the high rates that they do; that they are discriminating unjustly against our routes. Whether that is so or not I cannot say, but on looking at the report of the Minister of Marine and Fisheries for the past year I find that a considerable number of shipwrecks occurred on the St. Lawrence, and a large portion of those shipwrecks occurred through faults that might have been prevented if the Minister of Marine had in the last three years devoted his energies to thoroughly improving this St. Lawrence route, and if a proper pilotage system had prevailed, most of these shipwrecks could have been averted. Let me read the result of the examination by the commissioner, Mr. O. G. V. Spain, into some of these shipwrecks, and what he says in regard to the reasons why they occurred. I come first to the wreck of the steamer 'Carrigan Head':

This British steamship grounded opposite No. 3 lightship, Lake St. Peter, River St. Lawrence, on April 24, 1903. A formal investigation was held into the casualty at the harbour commissioners' office, Montreal, and the finding of the court was as follows:—

That the captain was not to blame for the disaster. That the officer of the watch was not to blame for the disaster. That the quartermaster carried out the orders of the pilot. That pilot Angers was not to blame. That the casualty was due to the buoys being out of place.

Why were the buoys out of place? Why is there not a proper patrol over this river to see that the buoys are always in place? Surely it is the duty of the Minister of Marine and of the government to see that the buoys are in place. Had this been done the wreck would not have occurred, insurance rates would not be so high, and we would not have to pay such high freight rates on our produce.

Then there is the wreck of the steamship 'Iberian':

This British steamship grounded on the south side of the channel, near Isle aux Raisins, River St. Lawrence, on June 6, 1903, and at a formal investigation into the causes which led to the casualty, held at the harbour commissioners' office, Montreal, the court found:—

That nothing in the ship or her equipment contributed toward the accident.

That the conditions of the weather prevailing at the time of the casualty were favour-

able, but navigation was rendered difficult, though not unsafe, by smoke from bush fires, which limited the distance the buoys were visible to about half a mile.

That proper precautions were taken with regard to speed, the ship steaming about four (4) knots per hour——

No wonder we have to pay high rates when ships can only go four knots an hour. That is a fast Atlantic service. Surely that broad river, one of the most magnificent in the world, ought to be so improved, the channel of it ought to be so wide, so deep, so safe, that a steamer could go, not at 4 knots an hour, but at full speed night and day. The report proceeds :

—and a good look-out was kept, the captain, first and third officers being on the bridge as well as the pilot.

That no blame is attached to the master or officers for the casualty.

The buoys were apparently in their proper position.

That the casualty was due to Pilot O. Naud in attempting to pick up the buoy which marked the south side of the channel—starboarding his helm to avoid a bateau, which he supposed was on the north side of the channel, whereas it was on the south side, and obscuring from view the buoy he was looking for. Owing to this error of judgment the ship ran out of the channel and grounded before it was possible for the pilot to see his mistake.

The court is of the opinion, that the pilot, having proceeded about half the distance between the buoys without seeing the spar buoy he was looking for, should have anchored.

The next one is the steamship 'Protector' :

This Norwegian steamship stranded at the mouth of the Saguenay river, on June 4, 1903, subsequently becoming a total loss. At a formal investigation into the case, held at the harbour commissioners' office, Quebec, the court found :—

That the ship was properly equipped and in a good and sea-worthy condition when she left Chicoutimi.

That she was supplied with proper and sufficient charts and sailing directions.

That the reef on which she stranded was properly marked on the Admiralty charts.

That the entrance to the Saguenay river is properly and sufficiently buoyed for the purposes of navigation.

That some blame attaches to the master for the stranding of the ship, in that he took no steps to ascertain whether the pilot was steering a proper course, in waters that any practical seaman could have navigated without the assistance of a pilot ; the channel being perfectly straight, and at no part less than six (6) cables wide.

That the master committed a grave error of judgment in taking no steps towards saving his vessel after stranding by jettisoning cargo from Nos. 1 and 2 holds and the deck cargo forward whereby the strain on the vessel would have been minimized, and the salvors enabled to place and work their pumps on arrival. The court is of the opinion that had these steps been taken the vessel would have been floated, and saved.

That the casualty was caused by the wrongful act of Pilot Nazaire Delisle in steering an improper course, the evidence going to show that he had never piloted a vessel out of the Saguenay river before, and that his knowledge of the river was so limited as to be dangerous.

Now, what I maintain is that no pilot should be retained on that river or allowed to navigate a vessel on the St. Lawrence unless he has a certificate that he is a practical experienced pilot of some standing. The merchandise of Canada is of too great importance and the credit of the St. Lawrence route, which is shaken and damaged by just such things as this, is of too great value and importance to be longer imperilled by the employment of pilots who are not the best that can possibly be obtained.

The next wreck reported is that of the steamship 'Stord,' of which the report says :

This British steamship stranded at Ste. Anne des Monts, Gulf of St. Lawrence, on June 10, 1903. The causes which led to this casualty were the subject of a formal investigation, held at the harbour commissioners' office, Quebec, and the finding of the court was :—

That the ship was properly equipped, and in a good and sea-worthy condition, when she left St. John's, Newfoundland.

That she was not properly and sufficiently equipped with charts, in that there was only a general chart of the Gulf and River St. Lawrence (No. 1271) on board ; but that the sailing directions on board were sufficient.

That the coast, in the vicinity of the place where the vessel stranded, is properly and sufficiently buoyed and marked for the purposes of navigation.

That blame attaches to the master for the stranding of the ship, in that he was attempting to navigate his vessel in close proximity to the land with a general chart ; and in that he omitted to study his sailing directions sufficiently to inform himself of the set of the currents in those waters.

That the vessel was not proceeding at a safe rate of speed considering the distance from the land and conditions of the weather.

That the master used every possible means to save his vessel after stranding.

The court considers that the master committed an error of judgment in attempting to navigate his vessel with a small scale chart, and that he deserves censure for his insufficient study of the sailing directions, and for proceeding at an unsafe speed, but refrains from dealing with his certificate in view of the fact that he was almost constantly on deck from St. John's, Newfoundland, to the place of stranding, during trying circumstances when it is necessary to display the greatest caution and judgment ; also owing to his past clean record.

In the evidence taken on the fog-signals along the coast between Cape Magdalen and Matane, suggestions were made for improvements, which the court will take steps to bring before the notice of the authorities at an ealry date.

The fog signals were not perfect. There is an opportunity for the Minister of Marine and Fisheries to improve that route by establishing some more fog signals. These gentlemen are experienced, and it is their opinion that the route was not properly marked. Then, there is the case of the barque 'Sardhana.' The report of the commissioner appointed to investigate the wreck of this vessel states :

> That the aids to navigation—in so far as the fog-signal at Point des Monts is concerned —were inefficient ; the evidence of various witnesses going to show that it was impossible to hear the fog-signal, even after the vessel stranded, within a mile and a-half of the lighthouse.

These are the results of the examinations of a few of the wrecks that occurred, and they go to show plainly that the fault lies with the government and with the minister who is in charge of the Department of Marine and Fisheries. It shows that he has not devoted his energies during all these long years to the improvement of this great route, this route by which almost all the products originating west from the port of Montreal find their outlet to the sea. The evidence of these gentlemen appointed by the government themselves goes to prove that most of these accidents could have been prevented if proper signals and buoys had been provided. These are some of the things that I desire to call to the attention of the House, and I say that it is the duty of the government to bend their energies in this direction so as to make the St. Lawrence route so safe that it will be as easy and as cheap to carry goods by that route as by any other route from the Atlantic coast. There are other things that go to make that route cheap and safe. A large portion of the goods that we send from the port of Montreal are perishable goods. Three of our large exports are butter, cheese and apples. All of these are perishable products and require the best of care. It does not matter how much education our butter-makers may have, it does not matter how much money may be spent upon educating our factory men to make the best butter that it is possible to make, it does not matter how much energy our farmers may bring to the work of producing good butter if you cannot carry it across the ocean in perfect condition. From $3,000,000 to $5,000,000 of our butter goes across the ocean and finds a market there. Most of it is sent in cold storage, and if we were to judge from the laudatory remarks which the hon. gentleman who last addressed the House made, we would come to the conclusion that the cold storage system as it at present exists is the most perfect in the world. We would imagine that every ship that sails from the port of Montreal is equipped with cold storage chambers that will carry every pound of butter across the Atlantic and land it in perfect condition in England where it will bring the highest prices. The cold storage system was inaugurated by the Hon. Mr. Montague when he was Minister of Agriculture, not at all, as the hon. member for West York tried to make this House believe, by the present hon. Minister of Agriculture. That system then inaugurated has no doubt become a great deal better than it was eight or ten years ago. It would be a curious thing if after eight years of experience the Minister of Agriculture, with the able men he has in his employ, with the funds of the government at his disposal with which to equip these steamers as they are equipped except partially by the steamship companies, though the steamers sailing out of Boston and New York provide their own equipment, should not be able to carry out a better system of cold storage than that which previously prevailed. It would be strange if there was no improvement. There has been improvement. It would be strange indeed, after the long experience we have had with this very simple matter of cold storage, a thing that has been in operation in Australia and other portions of the world, which has been utilized for the carriage of perishable products to Great Britain for twenty years, a system which is in operation in all our cities and towns where you can place goods in cold storage and maintain them for months, if the government, with ample funds at their disposal, were not able to have a perfect system of cold storage. I am sure you will agree with me that it is not very much to their credit that they have failed to perfect that system. Last year the hon. minister promised a thermograph record would be placed in every one of the chambers in ocean vessels for carrying perishable products. I find, however, that there are only 199 thermograph records taken, 155 in cold storage chambers, 32 in cooled chambers, and 12 in ordinary storage. Then I find the hon. minister in his report saying that a number of these boats carried butter in cold storage chambers at a temperature, not that which the hon. minister prescribes, but a temperature very far away from that which any experienced man knows they ought to maintain. The hon. minister maintained last year in his report 20 degrees as the proper temperature for the carriage of butter. The butter shippers ask for a temperature of ten degrees. You would think that the boats would carry the butter below 32, the freezing point, but I find in the hon. minister's report that no less than nine boats carried it at an average temperature, not on a single day, but at an average temperature of over 32 degrees, and some of them averaged as high as 40 degrees, 43 degrees, 36 degrees, 35 degrees, 39 degrees, 38 degrees, and so on.

I find on turning up the thermograph records that a very large number carried butter to London at temperatures ranging from below 32 degrees to 45 and 50 degrees. I find that the 'Iona,' sailing September 5, carried apples at a temperature of from 66 to 45 degrees. How could you expect apples, or pears, or any perishable fruits to be landed on the British market after a journey of fourteen days at a temperature of 45 degrees to 66 degrees, confined in a close cold storage chamber? Then, I find that on the 'Hibernian,' sailing August 22, there was a temperature of from 68 to 42 degree; on the 'Hurona,' sailing July 12, a temperature of from 50 to 40 degrees; on the 'Devona,' June 28, a temperature of from 37 to 38 degrees, on the 'Iona,' June 13, a temperature of from 42 and 32 degrees, on the 'Kildona,' a temperature of from 42 and 29 degrees, during their respective voyages across the ocean. All these vessels carried butter at the temperatures which I have mentioned except the first two, which carried apples. Then, taking the Liverpool service, I find that the 'Ionian' had a temperature of from 41 to 38 degrees, that the 'Kensington' had a temperature of from 45 degrees to 30 degrees, and that a number of other steamers had temperatures very much higher than they ought to have been for butter. This goes to show that the cold storage system that the hon. member for West York lauded so highly is not the perfect success that the House might have been led to believe if they had accepted that hon. gentleman's remarks as representing accurately the facts of the case. I am not going to say there was not a very large number of boats which carried butter at a proper temperature. Certainly the large majority of them carried it at a proper temperature and there is a very great improvement in this respect, but the point I wish to make is: That after these long years of experience it is astonishing that there should have been a single cargo go out from the port of Montreal shipped in cold storage not carried at a proper temperature. Every one of these cargoes can be carried at a proper temperature. It is only a matter of looking after them properly. It is not that it can not be done, it is simply a matter that requires somebody to attend to it. There should be some body to keep urging it upon the steamship owners, who, I have no doubt would be quite willing if it were continually brought to their attention to see to it that a temperature was maintained to carry butter in a proper condition.

The result is that our exports of butter dropped from between $5,000,000 and $6,000,000 worth to between $3,000,000 or $4,000,000 worth. That is largely due to the fact that a great portion of our butter landed in England in a poor condition. Of course the blame was laid on the butter makers. My experience is that if anything goes wrong the blame is put on the producer. He is a long distance off; he is not in parliament to defend himself; he is not in the public eye, and so he is an easy mark for blame. Now, I doubt that the butter producer is responsible for this. I believe that the butter makers of Canada, with their experience and intelligence, are able to put up butter in as good shape as the people of any country in the world. I have no reason whatever to doubt that these cold storage chambers on the steamers with a temperature of 35 or 40 degrees instead of 20 degrees, are the sole and only cause why Canadian butter arrived in a mouldy condition on the English market, and why our exports of butter have decreased by millions of dollars. We were promised at the outset that this government would do a great deal for fruit-growers, and they started in a feeble manner to imitate the policy of Dr. Montague when Minister of Agriculture. Dr. Montague held that it was the duty of the government to see that Canadian fruit and butter were properly looked after in transit, and he could not understand why, if Australian fruit and butter could be carried through the tropics half way around the world in good condition, Canadian fruit and butter should not reach the English market in like manner. Dr. Montague experimented with butter. He bought a certain quantity of butter at 20 cents per pound, sold it in the English market, and proved that Canadian butter could compete with any butter in the world. Our butter export trade which was then practically nothing has since amounted to $5,000,000 and over some seasons. These experiments of Dr. Montague cost the country about $1,000, and I can well remember how the Liberals of that day loudly condemned the Conservative Minister of Agriculture for making this useless expenditure. But when they came to power, as they did in many other cases, they adopted the Conservative policy and swallowed themselves. They started experimental fruit shipments to the old country. They have been at it for eight years, and still without success. Let me point out that the Bartlett pear, one of our best pears, is a fruit that we ought to be able to ship in cold storage. I have kept them in cold storage in this country for several months, and I have taken them out in such sound and hard condition, that I have been obliged to put them in a warm room for a few days to ripen them sufficiently for use in the canning factory. Now, after eight years experimenting, the Minister of Agriculture is yet unable to have these Bartlett pears sent to England in good condition. We are voting here thousands and thousands of dollars to the minister and surely he should have sufficient control over his cold storage, to so regulate it that this

fruit might be carried for an ocean voyage of ten days and landed in sound condition on the English market. Yet, last year I believe there were only two carloads of these pears sent across, and both were an entire loss. In addition to apples, practically the only thing which the fruit-growers can ship in cold storage chambers at the present time, are some of our late fall pears that will keep in good condition in any old sort of place. Mr. Fisher and other gentlemen in the neighbourhood of Burlington have been shipping these pears for a number of years without cold storage, and have been making money out of the business. We can keep our pears in good condition in our own cold storage chambers and yet the Minister of Agriculture, to whom the member for West York gives so much credit and who has costly apparatus at his disposal, cannot arrange that they may be kept for the ocean voyage of ten days. But, Sir, only a comparatively small portion of our perishable goods require to go in cold storage. We export $20,000,000 worth of cheese, and that does not require cold storage. All that it needs is that the air should be constantly changed and kept as cool as the outside air of the ocean. The same thing applies to shipments of apples. On this side of the House I urged on the Minister of Agriculture years ago, that all that is required for cheese and apples was to have the steamer holds properly ventilated, I showed him the enormous loss that we were sustaining by the neglect of this precaution, but he did not heed us. It was at last ascertained, when we came to make a milder kind of cheese that it would not carry under the old conditions, and at last the commissioner appeared before the Agricultural Committee one day, and stated that our cheese had been so damaged during the previous year by being carried in ill ventilated steamship holds, that it had received a black eye in the old country, and he prophesied that for the following year our cheese exports would be reduced by $3,000,000. I thought that in all probability he was right, and I watched the matter closely, and true enough next year our exports of cheese instead of increasing by one and a half million dollars as had been usual, decreased by one million dollars, so that we lost about two and a half million dollars on our cheese exports for that year. I on this side of the House had cautioned the Minister of Agriculture year after year that this would happen; I told him the farmers of Ontario were losing at least a million dollars a year on their apple shipments on account of this fact, but the Minister of Agriculture did nothing. He only woke up when he heard from his commissioner. The minister sent a circular to the steamship owners asking them to provide that the holds should be ventilated.

The hon. minister thought to take a little credit to himself, and what did he do ? He came to this House and asked for a vote of $40,000—not to ventilate the steamers. That was a simple matter. He did not require any vote for that. All that was required was for him to point out to the steamship companies the necessity of the case, and to tell them that if they did not ventilate their holds, and let the agents of the government see that they were properly ventilated, he would report and publish the fact. That would not have cost the country a cent. But that did not suit the hon. gentleman. These hon. gentlemen opposite have come to regard money of so little account, that unless they can come to this House and ask for a vote of $100,000 or some other large amount, they do not think they can do anything for the people. So the hon. minister asked for $40,000, and that vote has been repeated several times, to assist the steamship companies to fit up their steamers with cool air chambers and a refrigerating plant and thus reduce the temperature below that of the ocean air. I had grave doubts at the time whether this would work out as the hon. minister seemed to think it would. I rather imagined that the steamship people, having to pay at any rate a portion of the cost of fitting up the steamers, and having to set apart a considerable amount of space for the refrigerating plant would have to charge a considerable extra rate for the use of them. The minister assured us that the rate would be the same. So the money was voted and the chambers were fitted up in a number of these steamers ; and what do we find ? We find that the temperatures in these cool air chambers are just about the same as in chambers which are properly ventilated. I find, for instance, that on the 'Cervona,' the temperature of the cold air chamber was 62 to 54, and on the 'Pretorian' with ordinary ventilated storage, 65 to 56 ; almost the same temperature. On the 'Kildona' with cool air temperature 56 to 58 ; on the 'Ionian' without cool air, the temperature was 45 to 62. I might read a dozen or so of reports of temperatures of steamers fitted up with cool air chambers : but I could only read twelve with regard to the ordinary storage, because these were all the hon. gentleman had recorded and it would be found that there is very little difference in this temperature in the cool air chamber and that in a properly ventilated chamber. It was pointed out to the minister last year that the only way to secure the object in view was to have his agents at Montreal, put a thermograph into every storage apartment, and have his agents on the other side examine them and report. This would not cost the country a single cent, as the hon. gentleman has his agents now. In order to see that the holds

are properly ventilated, he should have a compartment on deck or somewhere when the exact temperature of the ocean air would be recorded; and if the record of that corresponded exactly with the record in the holds where the cargoes were, he would know that the fans were going; otherwise he would not know. It is all very well for him to have his agents go and see that the steamers are provided with the necessary apparatus; but it is another thing to know that the apparatus is working all the way across the ocean. If it is not, it will not produce any result. In response to a question which I put to the minister last year, he promised that in every one of the holds carrying perishable cargo there would be a thermograph, but I find that they were only put into twelve; but fortunately even these twelve show the advantage of them. I have examined the record of vessels going from Montreal on the same date and arriving on the other side at the same time. If the fans had been going and the holds had been ventilated, they would have shown exactly the same temperatures. I find that the 'Livonia' had temperatures ranging from 45 to 60, and for five days the temperature was 50 or lower. I venture to say that in that case the fans were going and the ventilating apparatus was in operation. At the temperature which prevailed during those five days, you could carry summer apples, pears, or any other perishable cargo that goes from this country to the other side, except perhaps butter, and I do not know but you could carry that in a temperature of from 45 to 50, if you were sure of having it all the time. What do I find with regard to the 'Tritonia' that went at the same time? She never showed less temperature than 60, and that only when loading, when the 'Livonia' was about from 57 to 60. The 'Tritonia' showed a rise to 68 at about the same time as the 'Livonia' showed from 45 to 50, and the temperature rose gradually until it reached 73, when the vessel was across to the other side; whereas the 'Livonia' never got above 55, a difference of from 15 to 18 degrees during the whole voyage. This is exactly the result which I wanted the minister to prove. There is the proof that it is absolutely necessary to take some steps to see that these steamers are ventilated. All you have to do is to put a thermograph, which costs $10, into each apartment which carries perishable goods and to put another on the deck. These thermographs will last a number of years, and by their use we could secure absolutely safe carriage for all our apples and cheese across the ocean. But that did not suit the hon. minister. He must put cool air apartments on the steamers at a cost of $100,000, and what has been the result? That of 2,000,000 barrels of apples exported last year only 8,000 barrels were carried in cool air chambers, and that of 229,000,000 pounds of cheese exported only about 3,000,000 pounds were carried in cool air chambers, that is, one cheese in seventy-five. Why was this? Because the shippers found that where the ordinary storage is well ventilated, they can carry cheese and apples across in as perfect condition as in the cool air chambers that cost the country $100,000 and in which shippers have to pay 36 cents a barrel extra on apples and ten shillings a ton extra on cheese. The shippers therefore will not ship in them, because they can get as good service without paying these extra charges. Since a large number of steamships have found it to be in their own interest to provide proper ventilation, these cool air chambers are neglected and the $100,000 is thrown away. This service, for which the people have to pay an enormously increased cost, is not required if the minister would do what he is asked to do by members on this side of the House. If the hon. member who preceded me had devoted a little more of his energies in this direction, he would have been of more value to his constituents. I want to make a statement here to show the difference in value to the shipper between ventilated boats and boats not ventilated. On the 'Lake Champlain' a shipment of 325 barrels of apples last season gave the following results:—

139 brls. landed tight
17 brls. landed slack — Average price, 12s. 8d.
25 barrels slightly wet, average price, 9s.; loss of 88 cents per barrel.
87 barrels wet, average price, 7s. 6d.; loss of $1.32 per barrel.
28 barrels wasty, average price, 3s. 6d.; loss $2.20 per barrel.
32 barrels slack and wet, average price, 3s. 6d.; loss of $2.20 per barrel.

These apples were evidently carried in a chamber not ventilated, and you had the result, a loss of from 88 cents to $2.20 per barrel upon all those not landed in tight or even slack condition. Compare the shipment by that boat with a shipment by another boat, the 'Ionian' of 2,190 barrels, last season:—

1,803	barrels landed tight... ..	82·4 per cent.
204	barrels landed slack... ..	9·3 "
147	barrels slightly wet	6·7 "
36	barrels wet....	1·6 "
2,190		

Take a thousand barrels of apples at the prices at which those were sold on the 'Lake Champlain' and make comparison with a thousand barrels sold at the same prices but landed in codition in which those were that went by the 'Ionian'—

By the 'Lake Champlain'—		
47	per cent tight or slack, at 12s. 8d.	$1,428.00
8	per cent slightly wet, at 9s..	172.80
26	per cent wet, at 7s. 6d..	280.80
19	per cent wasty, slack and wet, at 3s 6d.	159.60
		$2,041.20

Those apples, if sold at the same prices, and if they arrived in the same condition as those shipped on the 'Ionian,' would bring the following results :—

91·7 per cent tight and slack, at same prices as per 'Ionian'	$2,787.68
6·7 per cent slightly wet	144.72
1·6 per cent wet	28.80
Total per 'Ionian'	$2,961.20
" 'Lake Champlain'	2,041.20
	$ 920.00

That shows $920 realized more on a thousand barrels landed in the condition in which those sent on the 'Ionian' were landed than would be realized on a similar quantity shipped by the 'Lake Champlain.' What does that mean ? That would mean on our exports of apples last year alone to the old country, some 2,000,000 barrels, a million dollars ; and 2,000,000 barrels is only a small portion of the products of this country. According to the Bureau of Statistics and Industry, the apple crop of Ontario alone was 50,000,000 bushels. If the price at Liverpool sets the price in this country—as no doubt it does to a very large extent on No. 1 at any rate and to some extent on No. 2—this million dollars would only represent a small portion of the loss. This is a matter of paramount importance. I do not say that a million dollars loss occurred on the apples we shipped, but I say that if they were carried in the conditions in which they were carried on the 'Lake Champlain'—and that was the condition almost in every boat before these ships were ventilated—that would have been our loss. That only shows what can be achieved by a proper system of ventilation upon these boats. I think I have talked long enough. I think that the government could do a great deal, if they liked, for the people of this country, and I have pointed out two things they ought to do. The cargoes to which I am just referring were carried last season, 1903.

In referring to the enormous prosperity of the country during the past year, the hon. gentleman who preceded me found of course, as do all the speakers on the opposite side, a great deal of comfort in the great expansion of our exports and imports, and they take credit to themselves to a very great extent for this expansion. In this connection, the hon. gentleman might have mentioned the article of binder twine, for instance. Last year I find that we imported 14,204,000 pounds of binder twine. Before these hon. gentlemen came into power, we imported 3,364,000 pounds. What does that mean ? It means simply that under the late administration we manufactured all our own binder twine except the small amount of 3,000,000 pounds, whereas now we are importing the larger portions. But of course that 14,000,000 pounds imported swells the trade and navigation returns. It keeps up the figures of trade and commerce, but none the less it threw out of employment a large number of Canadians. Hon. gentlemen opposite however do not take this into consideration. They do not seem to think it is of any moment that a large number of Canadians have not found employment. They say the country is prosperous and the people busily employed. But, Sir, if that be the case, to what is it due ? It is due simply to the fact that the policy which was inaugurated by the Conservative party has, to a very large extent, been left alone. Why have our large industries prospered if it be not because the protection they enjoyed in the past has been continued ? But where are our binder twine factories and our barbed wire factories ? These are industries that the hon. gentlemen opposite did meddle with and these have disappeared. All the industries which are flourishing to-day are flourishing, not because of what these hon. gentlemen did, but because of what they did not do. And what about the industries that they did meddle with ? I have mentioned two, but I might mention others ? I might mention the woollen industry, in respect of which they partially carried out their promise of free trade, revenue tariff and so on, which they had been promulgating for eighteen years, and what was the result ? Last year we imported $13,516,915 worth of woollen goods, whereas in 1897 we only imported $7,125,148 worth. There was an increase in our imports of over $6,000,000, which of course made the trade and navigation returns look bigger. But these hon. gentlemen found out that after all to swell the trade and navigation returns was not the best policy. They found out that the platform laid down by the Conservative party twenty-five years ago of adequate protection to our native industries is the only policy under which these industries will thrive. They found that, whenever they interfered with that policy, whenever they attempted to carry out the promises and fulfil the pledges they had been making for eighteen years, while they increased the trade and navigation returns, they injured and demolished our industries. And so it has come to pass that, whereas eight years ago practically no hon. gentlemen of the other side would dare on the public platform to avow themselves protectionists, we find them now, one by one and two by two, coming forward frankly as believers in the protectionist doctrine. This session we find the hon. member for South Brant (Mr. Heyd) openly avowing himself an out-and-out protectionist. Last year he made a speech which abundantly showed that he was a protectionist, but he took care not to avow it. The year before that he made a speech which was not quite so strongly protectionist as the one of last year. And so, year by year, they are showing themselves more and more convinced that the policy of the Conservative party is the policy for this country. Even

the Finance Minister (Mr. Fielding), who has been a life-long free trader, who, on platform after platform, has denounced protection and declared that a revenue tariff was the proper tariff for this country, now proposes, not a reduction in the woollen duties, but an increase in those duties, the object being, not to get more revenue, but to give more protection. And he was quite right. But he has been a long time in learning what was right. If the hon. minister had taken the advice of members on this side, he would not have reduced those duties so low as to make this late increase necessary. Had he taken that advice we should not have imported $13,000,000 of woollen goods; the figures in our trade and navigation return would not have been so large, but we should have had woollen mills in full operation that are closed to-day, and hundreds of operatives at work in Canada that to-day are out of employment. We should have had an industry thriving that is seriously injured to-day, and will take a long time to revive even with the protection he now at this late hour affords it. But it is a consolation to us to know that the platform that we on this side have advocated for twenty-seven years, ever since 1878 and before, is at last recognized by hon. members opposite as the policy for this country. It is true that, not believing in that policy, they do not carry it out scientifically. How could you expect them to? How can you expect men to carry out efficiently a policy that they adopt, not from conviction, but as a matter of political expediency? The men to carry out a policy are the men who believe in it thoroughly. And, until the people of this country come to the conclusion that they had better put the Conservative party in power, they will never have a protective policy carried out in its entirety. Hon. gentlemen opposite have taken many steps in our direction; I prophesy that it will not be many years before they come a step further. Their adoption of our policy, as I said before, is a matter of congratulation to the country and of satisfaction to us. But however efficacious it may be in keeping these hon. gentlemen in power, however large the number of the votes it may secure for them, it is a matter of congratulation for us that at last they have come to believe in the policy that we have so long believed in and so strongly advocated. But, as I have said, they must come a step further. I trust that the Finance Minister will take that step even before the close of this session. I have pointed out how our farmers are suffering, and I need not say that the farmers have a right to be treated in as fair, as generous and as liberal a manner as any other class. The hon. Minister of Finance has an opportunity—for this session is not yet closed—to right the wrong under which they labour. I am sure that the hon. gentleman, knowing that he is not infallible, will be glad of the opportunity to change his mind; and I trust that before this session is over he will concede to the farmers, the fruit-growers and gardeners of this country the protection which, in view of the importance of their industry, they well deserve.

Mr. ROBERT HOLMES (West Huron) moved the adjournment of the debate.

Motion agreed to, and debate adjourned.

On motion of Mr. Fielding, House adjourned at 11.05 p.m.

HOUSE OF COMMONS.

FRIDAY, June 10, 1904.

The SPEAKER took the Chair at Three o'clock.

CANADIAN FISHING REGULATIONS.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries. In answer to the statements made by the hon. member for Leeds (Mr. Taylor) yesterday as regards the fisheries regulations, I beg to submit the following memorandum:—

MEMORANDUM.

For submission to parliament in reply to the inquiry of the honourable member for South Leeds, as to the fishery regulations in Ontario affecting American anglers visiting Canadian waters.

The position of the matter is that since the decision of the Judicial Committee of the Imperial Privy Council in the fisheries reference, the Ontario government has assumed the right of disposal of the fisheries as a proprietary interest, by the issue of fishing permits and licenses, collecting the fees thereon, which had previously been done by the Dominion government.

The exclusive right to make fishery laws and regulations, however, belongs to the federal government, and the Ontario government has been pressing for regulations which it regards as in the best interests of the fisheries asset which has become its property. Its wishes have to some extent been complied with when deemed expedient.

In the case in point Mr. S. T. Bastedo, Ontario deputy commissioner of fisheries, visited Ottawa, and fully discussed certain proposed regulations with the Dominion commissioner of fisheries, which resulted in an appended Order in Council, 30th May, 1904.

It will be observed that either Mr. Bastedo carried away with him a wrong impression of the exact significance of the intended regulations, or his letter is incorrectly quoted in the newspaper clipping read by the honourable gentleman; as the inference may be drawn that only eight bass may be taken and that none may be carried home.

Whereas, section 9 of the Order in Council fixes the number of fish to be taken at eight black bass, four maskinonge, twelve pickerel (doré) and four lake trout for each and every day; while section 10 permits every day an

aggregate catch of 10 pounds of speckled or brook trout ; but to be limited to thirty such trout, if too small to weigh 10 pounds in the aggregate.

As to the question of the visitor taking his fish home, section 12, while providing against the sale and export of speckled trout, black bass and maskinonge, for five years, specially permits any person from a foreign country, fishing in the waters of the province, and applying and paying for an angler's permit, upon leaving, to take with him the lawful catch of two days' fishing.

This would be sixteen black bass, eight maskinonge, twenty-four pickerel (doré), eight lake trout, and either 20 pounds of speckled or brook trout, or sixty such trout, if too small to aggregate 20 pounds.

This would seem an ample and generous prize for any true sportsman to carry home with him.

So far as the department is advised, in the section of the river referred to by the honourable gentlemen, including the Thousand Islands, where arrangements were made between Canadian and American authorities before the Ontario government assumed the issue of permits, the latter government is allowing United States fishermen free angling, whereas in all other parts of the province, they are required to take out a license or permit for the season.

PRIVY COUNCIL, CANADA.

At the Government House at Ottawa, the 30th day of May, 1904.

Present :

The Governor General in Council.

The Governor General in Council is pleased, in virtue of the provisions of section 16 of the Fisheries Act, chapter 95 of the Revised Statutes of Canada, to order that the General Fishery Regulations for the province of Ontario, established by the Order in Council of the 18th day of July, 1889, shall be and the same are hereby amended by adding thereto the following sections :—

9. No one shall fish for, catch or kill, in any of the waters of the province, in one day by angling, or shall carry away a greater number than eight small or large-mouthed black bass, four maskinonge, twelve pickerel (doré) or four lake trout.

10. No one shall fish for, catch or kill in any of the waters of the province, in one day by angling, or shall carry away a greater number of speckled trout or brook trout than in the aggregate shall weigh more than ten pounds, and no greater number than thirty speckled trout or brook trout, though said number weigh less than ten pounds.

11. No small or large-mouthed black bass less than ten inches in length ; no speckled trout less than six inches in length ; no pickerel (doré), less than fifteen inches in length, or no maskinonge less than thirty inches in length shall be retained or kept out of the water, sold, offered or exposed for sale or had in possession ; but any one who takes or catches any of the fish mentioned of less than the minimum measurement named, which measurement shall be from the point of the nose to the centre of the tail, shall immediately return such fish to the waters from which it was taken, alive and uninjured.

Mr. PREFONTAINE.

12. The sale and export of speckled trout, black bass and maskinonge, is hereby prohibited for a period of five years from the date of this Order in Council, provided, however, that any person from a foreign country fishing in the waters of the province, and applying and paying for an angler's permit, may, upon leaving the province, when the same are accompanied by him, take with him the lawful catch of two days' fishing.

The Governor General in Council is further pleased to order that any previous Orders in Council which are in conflict with these regulations be rescinded in so far as the province of Ontario is affected.

(Sgd.) JOHN J. McGEE.
Clerk of the Privy Council.

INQUIRY FOR RETURNS.

Mr. A. A. LEFURGEY. I obtained an order of the House on April 25th for certain papers in connection with the Murray Harbour Railway and Hillsboro' branch. I call the attention of the Minister of Railways to the fact that they have not been brought down. On the 30th of May an order of the House was issued for certain letters and petitions with reference to a letter from the Minister of Marine dated the 22nd of April. On the same date I obtained an order of the House for returns with regard to the chicken fattening station, and also a further order for papers with regard to the Murray Harbour Railway and the Hillsboro' bridge. I would like to have these returns brought down at as early a date as possible. As the session is drawing to a close, we wish to get this information so that we may make some use of it.

LORD DUNDONALD'S SPEECH.

Hon. SYDNEY A. FISHER (Minister of Agriculture). In view of the question that was asked of the government yesterday, in regard to the matter referred to by Lord Dundonald on Saturday last, at a banquet held in Montreal, I have to make the following personal explanation :—

Mr. Speaker, I am glad to take this earliest opportunity permitted me to state the exact facts, in regard to the incidents referred to by the General Officer Commanding, Lord Dundonald, in his speech at the military banquet in Montreal, Saturday, the 4th instant.

In consequence of the reports which appeared in the press of Lord Dundonald's utterances, the Minister of Militia wrote the following note to the General Officer Commanding :

June 8, 1904.

Dear Lord Dundonald,—Will you be good enough to read the inclosed newspaper clipping from this morning's ' Citizen ' and let me know if it correctly reports your utterances and the attendant circumstances.

Yours very truly,
(Signed) F. W. BORDEN.

Rt. Hon.
The Earl of Dundonald,
Major General.

To which Lord Dundonald replied as follows :

Militia Headquarters, Canada,
June 8, 1904.

Dear Sir Frederick Borden,—I am obliged for the extract from this morning's 'Citizen.' Though I made some notes for my speech at Montreal, I did not refer in these notes to the 13th Light Dragoons or to Mr. Sydney Fisher, and have therefore nothing to refer to with regard to this portion of my speech beyond memory.

The 'Citizen' states that I said :—

'A most flagrant instance of political interference has recently come before me in connection with the appointment of officers in the new Eastern Township Cavalry regiment, the Scottish Light Dragoons. The commanding officer of the corps had selected officers because of their apparent fitness from a military point of view. The names reached me and were sent to council, and gentlemen, what do you think happened ? The list having my approval was returned with the name of one officer striken out, and initialled by the Minister of Agriculture.

'The gentleman whose name was stricken from the list was Dr. Pickel, the mayor of Sweetsburg, and warden of the county of Missisquoi, a man chosen of the people and well qualified to serve his King and country. His political colour was not, however, that of the Minister of Agriculture, and consequently he was not considered fit to serve his King in the military force of Canada.'

The above is substantially what I said, except that I also stated that Mr. Fisher interfered with the organization of the corps and with the names of other proposed officers as well as Dr. Pickel. With regard to the first portion of the extract you sent me I did not say that all appointments are made in the militia through political intrigue. The substance of what I said, if my memory serves me right, was that : 'In time of peace the hands of the general were liable to be embarrassed by political intrigue and consequently the interests of the country suffered.'

Yours very truly,
(Signed) DUNDONALD.

The Hon.
Sir Frederick Borden, K.C.M.G.,
Minister of Militia and Defence.

In regard to Lord Dundonald's general statement that I interfered with the organization of the corps and with the names of other proposed officers of the corps as well as Dr. Pickel's, let me say this : That the only grounds on which I made any suggestions in regard to the establishment of this corps were the immense importance of the appointment of leading officers with military qualifications, who knew the country and the people of the eastern townships, the district where the corps was to be established ; that I took no exception to anybody's appointment on political grounds alone as evidenced by my recommendation and endorsement of many well-known Conservatives ; that no one believes more thoroughly than I do that the first necessity in the recommendation of officers on the establishment of a new regiment is military qualification, and general personal suitability, and that no political considerations should be allowed to interfere with this. Should occasion arise for the discussion of details in regard to these general statements, I shall be prepared to furnish them and to prove what I am now stating.

In regard to what Lord Dundonald calls 'a most flagrant instance of political interference,' through my having stricken the name of Dr. Pickel from the list recommended by him to the Minister of Militia, I have this to say. Lord Dundonald says :

'The gentleman whose name was stricken from the list was Dr. Pickel, the mayor of Sweetsburg, and warden of the county of Missisquoi, a man chosen of the people and well qualified to serve his King and country. His political colour was not, however, that of the Minister of Agriculture, and consequently he was not considered fit to serve his King in the military force of Canada.'

In the list of proposed appointments signed by Lord Dundonald in which the item appears of Dr. F. A. Pickel to be major, there is an asterisk opposite his name and a foot-note stating :

'As a special case, and will be required to pass the qualifying examination.'

When I first saw his name upon the list, knowing him personally and knowing something of military matters in the neighbourhood, I was aware that he had never been connected with the militia and had never shown any interest in military matters or participated in any such movement. I therefore suggested that his appointment as commander of a squadron should not be made.

Further investigation confirmed me in this and also proved to the commanding officer who recommended his appointment that I was right. Dr. Pickel himself so appreciated this fact that he was reluctant to accept the position.

On May 19th, in the absence from Ottawa of the Minister of Militia, the commanding officer of the regiment, Col. Smart, came to my office asking that I should press through council the passage of the general order authorizing these appointments. The next morning I received the following from Col. Pinault, Deputy Minister of Militia :

Ottawa. May 19. 1904.

Dear Mr. Fisher,—Will you kindly sign the inclosed, for the minister, and if possible have it passed to-day.

Very faithfully yours,
L. F. PINAULT.

Hon. Sydney Fisher,
Minister of Agriculture,
Ottawa. Ont.

At the same time I received from Col. Smart the following letter :

13th Scottish Light Dragoons,
Montreal, May 19, 1904.

Dear Mr. Fisher,—Immediately on my return this evening I met Lieutenant-Colonel Whitley and discussed fully with him all matters in con-

nection with our interview of to-day. Colonel Whitley was pleased to learn that everything was arranged satisfactorily, and at his request I telephoned to Sweetsburg with a view of getting from Dr. Pickel his final answer as to whether or not it was his intention to remain in the squadron, because, as I stated to you to-day, he had intimated to me his lukewarmness in the matter. I now have his final decision, which is that he gives up all connection with the squadron. In accordance therefore with Dr. Pickel's request, I can now, as commanding officer of the regiment, request you to kindly make the change in the 'Gazette' by leaving Dr. Pickel's name out.

I sincerely hope that this will meet with your approval, and in view of the short time between now and date of camp, you will kindly see that all recommendations pass Council tomorrow.

Thanking you for your kind consideration and assistance, believe me.

Yours very sincerely,
CHARLES A. SMART,
Lt.-Col. Commanding, 13th S. L. Dragoons.

In view of above, I certainly recommend that Lieutenant-Colonel Smart's suggestion be followed

FRED. WHITLEY,
Lt.-Col. Commanding,
Eastern Townships Cavalry Brigade.

Montreal, May 19, 1904.

I signed it and sent the recommendation with the following note to the Clerk of the Privy Council :

Ottawa, May 20, 1904.

Dear Mr. McGee,—I send you a recommendation from the Department of Militia and Defence which I have signed for Sir Frederick Borden. He and I have discussed this matter and agreed that this should be put through.

You will note that I have stricken out one of the appointments to be Major, F. H. Pickel. I have received a letter from the colonel who made these recommendations, saying that Mr. Pickel does not wish to have his name included.

If you would be kind enough to make an order on these recommendations so as to put it through to-day, you will much oblige, as the Militia Department is very anxious to have it put through.

Yours very truly,
SYDNEY FISHER.

J. J. McGee, Esq.,
Clerk of the Privy Council,
Ottawa.

This is a simple statement of the facts of the case, which, without referring in any way to the propriety of the General Officer Commanding discussing in public official recommendations, without referring to the broad question of propriety of an official of the government of Canada criticising the official action of a member of that government—absolutely disapproves the charge that for political reasons I had undertaken to strike out a name which had been submitted to the Minister of Militia for appointment in the service.

Hon. Sir FREDERICK BORDEN (Minister of Militia and Defence). Mr. Speaker, as my name has been referred to in connection with this matter, I crave the indulgence of yourself and the House to make a personal explanation. I confirm literally and entirely the statement just made by my colleague, the Minister of Agriculture (Mr. Fisher). He had for several years advocated the organization of a mounted force in the Eastern Townships—his own home and that part of the Dominion, in the general good government of which he has a right to feel a special interest—and when the time came to take the question up, I naturally looked to him for advice and assistance. And let me say at once that recognizing myself to be the man upon whom—and upon whom alone—the entire responsibility rests to this parliament and to the Canadian people for the proper administration of the militia, I am always desirous of consulting everybody, whether colleague, member of parliament, officer or private citizen, who is willing to offer advice, or from whom I am likely to gain information. I was aware that Lt.-Col. Whitley, one of the ablest and most efficient cavalry officers in Canada, had been consulted with reference to the organization of the proposed new cavalry regiment mentioned in the Montreal speech of the General Officer Commanding, and also that Lt.-Col. C. A. Smart had been recommended by Lt.-Col. Whitley and the General and approved by me as commanding officer thereof. Toward the end of March last I wrote to Lt.-Col. Whitley, expressing a desire to see him. Having learned afterwards that he was in England, I requested the General to suspend the work of organization until Lt.-Col. Whitley's return, having previously explained the reasons to the military secretary, for the information of the General. About the end of April Lt.-Col. Whitley returned, and early in May brought Lt.-Col. Smart to Ottawa to have a conference with me. This conference was of a most pleasant and satisfactory character. Both officers expressed a strong desire to have the general order containing the appointments connected with the organization of the regiment, with its several squadrons, put through promptly, in order that the regiment might be able to go to camp this year. This I promised to do. Finding that I would be obliged to be absent from Ottawa from the 18th to the 26th of May, I instructed my deputy to take the general order containing the proposed list of appointments, so soon as completed, to my colleague, the Minister of Agriculture, to be by him submitted to Council, in view of the urgency of the case. I telegraphed to Lt.-Col. Whitley to meet me at Montreal on my way from Ottawa to Nova Scotia, which he did. He then repeated his previous request as to the necessity for putting the appointments through immediately. I told him of the instructions I had given my deputy, and asked him to go to Ottawa to assist in the final adjustment of the list. He promised to do so or send Lt.-Col. Smart.

My colleague has already stated what followed.

Mr. SAM. HUGHES (North Victoria) Have the government any further particulars from Lord Dundonald concerning this case ?

Sir FREDERICK BORDEN. At three o'clock precisely—I looked at the clock at the moment—I received a letter from Lord Dundonald as follows :

Ottawa, June 10, 1904.

The Hon. Sir Frederick Borden, K.C.M.G.,
Minister of Militia.

Dear Sir Frederick Borden,—I inclose a copy of a memorandum which I have sent by bearer to Col. Hughes.

Yours very truly,
DUNDONALD.

Mr. SAM. HUGHES. I would like to ask the hon. minister if he will be good enough to read that memorandum ?

Sir FREDERICK BORDEN. I have not had the opportunity of reading it myself yet.

Mr. SAM. HUGHES. Will the hon. minister read it ?

Sir WILFRID LAURIER. The document belongs to the hon. member for North Victoria (Mr. Hughes). It is addressed to him. It is only a copy which is addressed to my hon. friend the minister.

Mr. SAM. HUGHES. The document I received is a memorandum.

Mr. FITZPATRICK. All right, let us have it.

Mr. SAM. HUGHES. I presume the hon. minister has received the same memorandum. I received mine shortly after three o'clock.

Sir FREDERICK BORDEN. I have had no communication from the General Officer Commanding, except the one which was read here to-day by my hon. colleague the Minister of Agriculture, until three o'clock to-day, when I received the letter which I have just read, informing me that Lord Dundonald was inclosing to me a copy of a memorandum which he had sent to my hon. friend.

Mr. SAM. HUGHES. Might I ask the hon. minister whether he has consulted with Lord Dundonald from time to time in relation to the interference of the Minister of Agriculture ?

Sir FREDERICK BORDEN. Surely my hon. friend does not expect an answer to a question of that kind.

Mr. R. L. BORDEN. I would respectfully suggest that if there be any memorandum or statement from Lord Dundonald, submitted to the Minister of Militia, with regard to the position of that officer, it ought to be submitted to the House. The House ought to be informed by the hon. minister of the matters stated in that document. That I think would be only fair, and I am surprised that that has not been done. Whether the memorandum was communicated to my hon. friend from Victoria (Mr. Hughes) or any one else does not matter. It is a statement of the general's position, which ought, in all fairness to him, to be submitted to the House in connection with the statement made by the two ministers of the Crown. Otherwise, we shall have only a statement of facts made from the standpoint of the hon. the Minister of Agriculture and the hon the Minister of Militia. The government is not acting justly in permitting this incident to be submitted to the country without placing also before the people the statement of the general. I can hardly suppose that that is the intention of the government, but of course that is a matter for them to decide for themselves.

Sir WILFRID LAURIER. I have to observe to my hon. friend and the House that my hon. colleague, the Minister of Militia, has stated what took place between him and General Lord Dundonald. The Minister of Militia wrote the general to inquire whether or not the speech attributed to him was correctly reported. General Lord Dundonald answered and his answer has been read. To-day after three o'clock —after it had been stated that this matter would be referred to in the House to-day—my hon. friend the Minister of Militia, received a letter from General Lord Dundonald informing him that he had sent to Col. Hughes a document of which he sent him a copy. The original of that document is in the hands of Col. Hughes and not of my hon. friend the Minister of Militia. The General Officer Commanding did not apply to my hon. colleague to have any defence put before the House, if he had any. I do not know what is the tenor of this document which he sent to Col. Hughes, but I presume it is a defence, and he sent it, not to his chief, the Minister of Militia, but to Col. Hughes.

Mr. R. L. BORDEN. I would respectfully suggest that whether Lord Dundonald sent it to Col. Hughes or not—whatever value may be attached to that incident—if it purports to be a statement of the facts from Lord Dundonald's standpoint, it is not fair to a man, who is not a member of this House, to withhold that statement of facts from the House and to send this matter to the country on the statement alone of the Minister of Agriculture and the Minister of Militia.

Sir WILFRID LAURIER. What I have to observe is this. If General Lord Dundonald had any document to send to anybody, he should have sent it to his minister. He has not chosen to do so, but has chosen to send it to Col. Hughes, and it is for Col. Hughes to do what he pleases with it.

Mr. SAM. HUGHES. I may say, after the incident of yesterday, when the right hon. the First Minister brought the matter before the House and gave notice that it would be considered to-day, I reviewed a great many of the letters I had received from time to time, since February last, from officers, and also from others not connected with the force in the eastern townships, from Sherbrooke away on the extreme east and all over the district, where this 13th Regiment is being organized—complaining of the interference of the Minister of Agriculture (Mr. Fisher) in the organization of and appointments of that corps. I did not consult Lord Dundonald directly or indirectly until yesterday, when the First Minister gave notice to the House that the matter was coming up. I then sent a letter to Lord Dundonald with a memorandum asking him for confirmation of my data in connection with this matter, and after three o'clock to-day I received the memorandum which has been referred to. Let me say here that if the hon. Minister of Militia is in possession of the details contained in this memorandum—and I presume he is—and if the Minister of Agriculture is in possession of these details, as he must be, then I maintain it was their plain duty, without any request from this side, to have stated all sides of the case to this House, inasmuch as Lord Dundonald has not a seat on the floor of this House and has not a voice in this chamber.

We know, from experience, that there are no better artists in the wide world in making a plausible case to present to the country and to cover up their own doings than the right hon. Prime Minister and his colleagues. But, before entering into the case, I may be permitted, briefly, to refer to the relationship existing between the General Officer Commanding and the government of the country. First let me quote from Anson. 'On the Law and Custom of the Constitution' with regard to the commander in chief, whose position in Great Britain corresponds to that of the General Officer Commanding in Canada. Anson says :

> The Commander-in-Chief is henceforth to exercise a general control over the military forces of the Queen at home and abroad, and a general supervision of the military departments of the war office. He is charged with the general distribution of the army, with the preparation of plans for its mobilization, and for offensive and defensive operations, with the collection of military information, with appointments, promotions, honours, and rewards. He is the principal adviser of the Secretary of State on all military questions.

And here let me say that the Secretary of State corresponds to the Minister of Militia :

> When the office was created, in 1793, it was hoped that by vesting in the Commander-in-Chief the exercise of the prerogative as to promotions and appointments in the army such matters would be dealt with by an officer, free from the prepossessions of party and politics, who would regard no other interest save that of the army.

So we see that the position of Commander-in-Chief was created in order to get away from the very disabilities that had affected the former procedure, and to keep party politics and other outside influences from dictating the appointment of officers. Page 392 of the same volume gives the position of the Secretary of State, as follows :

> Especially is the Secretary of State bound to maintain the discretionary prerogative of the Crown in the appointment and dismissal of officers, their promotion or reward, or the acceptance of their resignation. This prerogative is exercised through the Commander-in-Chief, on the responsibility of the Secretary of State; and it is the more important that power of this sort should be in the hands of a non-political officer such as the Commander-in-Chief, because our army, unlike the armies of other European countries, is not divorced from the political rights of citizenship. The soldier, if duly qualified, may exercise the franchise; the officer may sit in the House of Commons. Plainly then, the King or a minister of the Crown might use, or be pressed to use, the powers of appointment, promotion, or dismissal for political or party ends. The history of the last century attests the reality of this danger. The office of Commander-in-Chief as constituted in 1793, was intended to meet it.

From this you will see clearly that the object of creating the Commander-in-Chief in England at the close of the eighteenth century was to avoid exactly such unfortunate incidents as that which has caused this discussion to-day. Now, we find the position of Commander-in-Chief or General Officer Commanding as he is called in Canada provided for under our own regulations and orders—page 1, section 3 of the regulations and orders of 1898 :

> The General Officer Commanding is charged by statute, under the orders of Her Majesty, with the military command and discipline of the militia.
>
> 2. He is the principal adviser of the Minister of Militia and Defence on all military questions; is charged with the general supervision of the military branch of the department; issues general orders; and holds periodical inspections of the militia.
>
> 3. He is charged with the distribution, quartering and localization of the militia; with the preparation and maintenance of detailed plans for mobilization; with the preparation of schemes for offensive and defensive operations; and with the collection and compilation of military information.
>
> 4. He recommends to the Minister of Militia and Defense fit and proper persons for appointment to commissions in the militia; and proposes fit and proper officers for promotion, for staff and other military appointments, and for military honours and rewards.
>
> 5. He is charged with the military education and training of the officers, non-commissioned officers and men of the active militia, including the supervision of the Royal Military College of Canada, and the several Royal Schools

of military instruction throughout the Dominion.

Here we see the duties of the General Officer Commanding clearly laid down. But the public have been appraised from time to time that, however well disposed the Minister of Militia may be—and he has always claimed, and, I believe, has always endeavoured so far as in him lay, to keep the militia of this country free from the influences of party politics—that, from time to time other powers and other influences, have been at work against which the combined efforts of the General Officer Commanding and of the Minister of Militia were futile. And we find, from time to time, as reports from all over the country show, the strong, stern hand of the politician and ward heeler influencing the Minister of Militia and the General Officer Commanding in appointments to office. From the very first day the Minister of Militia took his present place, until the present time, the members of the opposition and the Conservative party generally have done what they could to uphold him in keeping the militia free from political influences. I challenge any hon. gentleman to place his finger on a single instance where the Conservative party in this House or out of it, in the press or on the platform have introduced party politics into questions relating to the militia. It remained for the Minister of Agriculture (Mr. Fisher) who has never had anything to do with the militia, to force it to an issue so that no self respecting General Officer Commanding could longer put up with the meddling and interference ; it has been left, I say, for the Minister of Agriculture to force the issue and bring about the crisis which has now arisen. I am sure that the Minister of Militia will be the first man to bear me out when I say that, even in relation to matters in which I have a special interest, and when I have had splendid opportunities to make political capital for my own friends in connection with the militia, I have never once, in this House or out of it, raised my voice in an attempt to blame the government captiously or to make party capital out of these questions. We, on this side of the House, have let opportunities go by because we preferred to keep the militia of the country perfectly free from party politics. But, from time to time cases arise. It was only yesterday the Toronto 'News,' the organ of a friend of my right hon. friend the Prime Minister—so great an admirer of the Prime Minister that, it is said, he keeps his picture at the head of his bed——

Some hon. MEMBERS. Oh, oh.

Mr. SAM. HUGHES. No, he has not the picture of the Minister of Agriculture (Mr. Fisher), but only one of the First Minister. The Toronto 'News' goes on to show that the St. Catharines Field Battery is disorganized. And it gives the facts—I do not vouch for them, but they are there as a matter of newspaper statement—to show that this disorganization is due to the intermeddling of party politicians. In the same locality we find a difficulty arising in the case of a corps of cavalry.

It is very strange that it is along the border that these gentry are found who most insist on meddling in party politics. We have a corps of cavalry in that region of which, I believe, the officer commanding is Col. Gregory. The regiment has been newly organized and enlarged I believe, and it was the desire of all the officers in that regiment and the general desire on the part of the whole community that Col. Gregory should be continued in command for another year or two under a regulation of the Minister of Militia. The General Officer Commanding, whose duty, I have clearly shown it, is to act in such cases, informed Col. Gregory of an extension of his command. The minister will be able to correct me in this, as the authority comes from that end, and I have not asked either the General Officer or the officer in this case. This information was conveyed to the officers of the regiment, and an officer of the political faith——

Sir FREDERICK BORDEN. My hon. friend has appealed to me. Col. Gregory's tenure was extended one year ; if the General Officer Commanding made any other communication to Col. Gregory than that, he had no right to do it.

Mr. SAM. HUGHES. The minister knows as well as I do that the regulations allow an extension of three years.

Sir FREDERICK BORDEN. Quite so, and it was extended one year ; that is the usual extension.

Mr. SAM. HUGHES. The regulations permit of an extension of three years, and the General Officer, acting on his prerogative, under the direction of the Minister of Militia, extended that to three years, two years in addition to the one previously given. An officer second in command, not yet qualified to command, communicated with the hon. member for Welland (Mr. German), and he, in language more befitting Canal street, Buffalo, than an hon. member in this House, stated that Lord Dundonald would be taught that he had no power to give the extension. I shall give the story, and then we shall see whether the facts bear it out or not. He made the statement that there would be no extension of command, and the notice which Lord Dundonald had given was cancelled.

Sir FREDERICK BORDEN. Let me tell my hon. friend that there is not one word of truth in the statement that the hon. member for Welland (Mr. German) ever spoke to me or wrote to me with reference to Col. Gregory, or, so far as I know, with reference to any other officer connected with that regiment. Neither is there any

truth in the statement that the General Officer Commanding asked me or recommended me to extend Col. Gregory's term three years.

Some hon. MEMBERS. Hear, hear.

Mr. SAM. HUGHES. I notice that the gentlemen opposite are fulfilling their function in this House of merely being an echo, to pound the desks for ministers when the signal is given them. I have not said that the hon. member for Welland (Mr. German) wrote or spoke to the minister, but I have stated that the hon. member for Welland stated that in his county.

Some hon. MEMBERS. Oh, oh.

Mr. SAM. HUGHES. Those are my words. I have said that he stated that in his county, and whether he interfered or some one else interfered, it rests with the minister to tell.

Sir FREDERICK BORDEN. I interfered, if you want to know.

Mr. SAM. HUGHES. How did the minister become apprised of it ?

Mr. SPEAKER. I would remind the hon gentleman (Mr. Hughes) that that is not at all the question before the House. For that matter, I might say that there is really no question before the House now.

Mr. SAM. HUGHES. I purpose concluding with a motion. The minister must have become aware of some intuition, since he tells us the General Officer Commanding did not notify him, and yet he did stop this extension of Col. Gregory's time.

Sir FREDERICK BORDEN. The hon. gentleman, who seems to know more about the General Officer Commanding than I do, has informed the House that the General Officer Commanding recommended the extension. I did not. I do not know it, if he did.

Mr. SAM. HUGHES. The minister said just now that he stopped the extension. Those are his own words, and I am taking him at his own word. I am not saying that the General Officer did anything. I do not know what the general did only from what Col. Gregory and his friends say.

Not long since the General Officer Commanding took a trip to the Pacific coast, leaving, I presume, the Adjutant General in command. We have an ordinance corps in Canada, a very necessary corps, which is now under the military wing of the department, and when Lord Dundonald got safely away on the coast, we find two majors promoted to senior rank, who could not be promoted, so the current story goes, while Lord Dundonald was here. I refer to Major Belanger and Major Bliss, who were raised to the rank of lieutenant-colonel——

Mr. SPEAKER. I regret to have to interrupt the hon. gentleman——

Sir F. W. BORDEN.

Mr. SAM. HUGHES. I am coming right straight to the subject.

Mr. R. L. BORDEN. An hon. gentleman who moves the adjournment can bring up any matter he sees fit.

Mr. SPEAKER. That is true in a general way, but an hon. member who moves the adjournment must confine himself to the question for the discussion of which he moves the adjournment.

Mr. R. L. BORDEN. The adjournment has not been moved.

Mr. SPEAKER. If the hon. gentleman will not move the adjournment, there is no question before the chair, and we must proceed with the orders on the paper.

Mr. SAM. HUGHES. I wish to abide by your decision. But is it necessary that I should move the adjournment; may I not move another motion ?

Sir WILFRID LAURIER. No.

Mr. SPEAKER. The only motion which it is now in order for the hon. gentleman to move is the adjournment. I had understood that the hon. gentleman would move the adjournment, but the hon. leader of the opposition (Mr. R. L. Borden) has contradicted that statement.

Mr. R. L. BORDEN. What did I contradict ?

Mr. SPEAKER. The hon. gentleman contradicted the statement that the hon. gentleman (Mr. Hughes) had intended to move the adjournment.

Mr. R. L. BORDEN. I did not do anything of the kind. It is an entire misunderstanding. The point I took is that the adjournment was not moved by the hon. Minister of Agriculture or the hon. Minister of Militia and Defence (Sir Frederick Borden), and the hon. member for North Victoria (Mr. Hughes) can therefore initiate any thing he sees fit on the motion to adjourn the House. That point I think is a very plain one, by which I am prepared to stand, subject to your ruling.

Mr. SPEAKER. The position, as I understand it, is this : Yesterday some hon. gentleman asked for an explanation from the government of what I may be permitted to call the Lord Dundonald incident. To-day two members of the government, sitting on the treasury benches, offered the explanation demanded. As I understand it, that is the end of the question. The hon. member for North Victoria (Mr. Hughes) rose to make some remarks, which I submit he could not have made without moving the adjournment of the House. Now, since he is about to move the adjournment of the House, he has a right to discuss this question, and I think he is to be allowed general latitude, but I think he must try, as every

member must, to limit himself to the subject under discussion.

Mr. R. L. BORDEN. I would conceive it to be the right of the hon. member for North Victoria (Mr. Hughes) to rise in his place after these explanations had been made on behalf of the government, the adjournment of the House not having been moved, and discuss the transportation question, or any question he may see fit. He is not limited.

Mr. SPEAKER. I do not think that is a proper interpretation of the rules. I differ entirely from the hon. gentleman (Mr. R. L. Borden).

Mr. R. L. BORDEN. He is speaking now in regard to the matter which was brought up on the motion for the adjournment of the House.

Mr. SAM. HUGHES. I was discussing political meddling.

Mr. SPEAKER. I am prepared to rule that that is not a proper interpretation of the rules governing the motion to adjourn. I think the rule is that the gentleman who moved the adjournment of the House must confine himself to the subject under discussion, and that he could not, on a motion of this kind for the purpose of discussing this subject, refer to the question of transportation.

Mr. R. L. BORDEN. I submit, with all respect, that there was no subject under discussion when the hon. gentleman rose, and therefore he is at perfect liberty.

Hon. W. S. FIELDING (Minister of Finance). I admit at once that if the matter stood as the hon. leader of the opposition (Mr. R. L. Borden) puts it, and the hon. member for North Victoria (Mr. Hughes) had stated that he desired to move the adjournment of the House for the purpose of discussing transportation, he had a right to do so; but, if he continued to discuss the matter before the House, I do not think he could mix up transportation with it.

Mr. SAM. HUGHES. The question before the House is political meddling, by gentlemen connected with the Liberal party, with the Minister of Militia and the appointing of officers in the militia. If I understand the question aright, I think I am confining myself very closely to the issue. However, Mr. Speaker, I bow to your ruling and I shall not take up any more of the fifty odd cases that I could refer to that have been brought to my notice within the last few days, but I will come down to the hon. Minister of Agriculture—come down to him. I have here a very long letter which I shall not read at length. It has been sent to me from the eastern townships and it concerns the meddling of the hon. Minister of Agriculture in that arrangement for the erection of the drill shed at Sherbrooke. It goes on to say:

I heard nothing further about the matter until about February, when a letter was read before the city council from Mr. Fisher to Dr. Pelletier, stating that if the city would allow the valuation of the present site the government would at once proceed to construct a new shed, and the south ward site was stated to be the site decided upon. I then wrote Col. Biggar again, requesting him to come down and look over the situation once more, telling him at the same time that the proposed site on the Paton property could be bought for one-half the price which it was stated the government intended to pay for the south ward site, and got a reply from him, simply acknowledging my letter and saying he had reported on all the sites in Sherbrooke and that he would be glad to come down if sent by the department.

We then got up a petition to the minister, copy of which I inclose, and this was very largely signed, quite as largely by Liberals as by Conservatives. Indeed, it was entirely non-political, and this petition was presented by the deputation referred to by the minister in answer to your fourth question. You will notice that three of this deputation, Dr. Austen, Mr. Armitage and Major Odell, are on the government side of politics.

In stating that there were two deputations, and that the first deputation consisted of Col. E. B. Worthington, with the mayor and Dr. Pelletier, this answer is misleading, and is really not correct.

Then follows a lot about the sites but it concludes as follows:

When we waited upon the minister——

That is the Minister of Militia.

When we waited upon the minister——

I would like the right hon. First Minister to hear this.

Sir WILFRID LAURIER. That is very far from the question.

Mr. SAM. HUGHES. (reading).

When we waited upon the minister—from whom we received every courtesy—Mr. Fisher was present, and made himself, to say the least, very disagreeable, accusing the English of running down the French, &c., in Sherbrooke, and he evidently very greatly resented our going to Ottawa in connection with the matter, especially, I gathered, his own friends (politically) and thus interfering with his pet schemes.

There can be no doubt that Mr. Fisher's determination to build the drill shed in the south ward is to give the English-speaking people in the north ward, where the majority are, of course, Conservatives, and the 53rd regiment, a slap in the face. So far as Dr. Pelletier and his friends are concerned, the proposed site in the south ward is absolutely political. In fact, he admitted to Mr. Armitage, one of the deputation, the day before we went to Ottawa, that it was entirely a matter of politics, and that by giving the French people in the south ward a drill shed he would secure his next election, and this statement Mr. Armitage repeated to the Minister of Militia when the deputation waited upon him in Ottawa in presence of Mr. Fisher himself.

I presume, Mr. Speaker, that is germane to the question.

Mr. SPEAKER. If the hon. gentleman wishes me to express my opinion I am bound to say that I do not think so.

Some hon. MEMBERS. Who signed the letter ; name, name.

Mr. SAM. HUGHES. Are these hon. gentlemen very anxious to know ?

Some hon. MEMBERS. Name.

Mr. SAM. HUGHES. The letter speaks for itself. It is written by the lieutenant colonel, I presume, in command in that district.

An hon. MEMBER. What is his name?

Mr. SAM. HUGHES. All that hon. gentlemen need to do to find out is to turn up the militia list. He is a gentleman who has done his country service in South Africa. He is a gentleman who has reflected credit on the militia of this country. Be he Conservative or Liberal he reflects credit on the country which has given him birth and it will be well for the hon. Minister of Agriculture if he could say as much for himself. Now, Mr. Speaker, I shall not take up any of the other cases of political interference which I have in my possession but will proceed forthwith to take up the incidents connected with the affair in Montreal. It is evident to the general public of this country that the hon. Minister of Militia (Sir Frederick Borden) occupies a very unenviable position before this House and country. I believe the hon. Minister of Militia would like to do what he honestly thinks is right for the militia of Canada irrespective of party politics, but we find hon. members from the west on the one hand meddling with appointments, we find the hon. Minister of Agriculture in the east on the other hand meddling with appointments in the militia and we even find the right hon. First Minister as well as the right hon. Minister of Trade and Commerce meddling in these appointments and looking after their own relatives.

Sir WILFRID LAURIER. How have I meddled in any militia appointment, when and where ?

Mr. SAM. HUGHES. Let me ask my right hon. friend a question. Has my right hon. friend ever interferred in the Militia Department in relation to any appointment?

Mr. FIELDING. The hon. gentleman (Mr. Hughes) has made the statement that he has.

Mr. SAM. HUGHES. The right hon. Prime Minister is able to answer irrespective of the hon. Minister of Finance.

Sir WILFRID LAURIER. I am not aware of ever having interfered on behalf of anybody in reference to the militia. Perhaps my hon. friend has some fact to bring to my attention, and if so I might then be able to say yes or no. At this moment there is only one instance which I remember and I shall not mention it.

Mr. SAM. HUGHES. I shall not mention it either.

Some hon. MEMBERS. Oh, oh.

Mr. SAM. HUGHES. I thank my right hon. friend for acknowledging that I was right. I had my desk half full of letters from all over the country in regard to this matter long before Lord Dundonald ever made his Montreal speech, and I want to tell the House and the country that many of us wondered why he had borne the brunt and odium of all these doings. I can readily see how, at last, goaded on to desperation by the interference of a man of the calibre of the Minister of Agriculture, he might not have observed the ordinary rules of military etiquette and how he might have been goaded on to make the statement he did make in Montreal. I wrote him in order to fortify myself in relation to this data and I received the following communication a few minutes ago which I shall read to the House. When I have presented it to the House I shall ask the House to compare the statements made herein with the statements made by the hon. Minister of Agriculture.

Ottawa, June 10th, 1904.

Dear Col. Hughes,—In reply to your letter the following memorandum gives the facts connected with the Montreal incident.

Yours truly,
(Sgd.) DUNDONALD.

Then follows the memorandum.

In accordance with general orders approved by council, I gave orders in the customary manner in the month of February last to organize the 13th Scottish Light Dragoons as a cavalry regiment, with headquarters in the eastern townships of Quebec. Lt.-Col. C. A. Smart was gazetted as commanding officer on the 19th February and other officers were also appointed to the same regiment. Shortly after the promulgation of the order authorizing the organization of the regiment, I received an order from Sir Frederick Borden through Col. Pinault, the deputy Minister of Militia, desiring him to stop the organization. No explanation or reason for this step was vouchsafed, but indirectly I learned that the Minister of Agriculture was responsible for the delay which thus occurred.

I greatly desire to have the organization proceeded with, as the time for holding annual camps was approaching. I accordingly twice communicated with Mr. Fisher by telephone on two dates some distance apart, and made appointments with him in order that the reason for the obstruction might be obtained.

The general was even polite enough to allow the meddling of the Minister of Agriculture at that time and was polite enough to telephone him twice to make appointments so that he might meet him and have those differences whatever they might be removed, in order that the interests of the

militia force of Canada might be looked after properly.

Mr. Fisher did not keep either of the appointments. On the second of the occasions above referred to, when speaking to Mr. Fisher on the telephone, I explained the urgency of completing the organization of the regiment without delay, otherwise it would be impossible for it to go into camp. I also inquired what Mr. Fisher had to do with the organization of the militia ; to this Mr. Fisher responded by inquiring whether I thought he had no right, as a cabinet minister, to interfere. My answer was that in my opinion Mr. Fisher had no right to interfere with Colonel Smart's selection of officers, as I understood he had been doing.

You will notice that the Minister of Agriculture arrogates to himself the right to boss the Militia Department as well as looking after the hens and the eggs and calves in the Agricultural Department.

It is perhaps unnecessary to say here that Colonel Smart's duty was to select officers for commissions and submit their names to the General Officer Commanding through the proper channel in order that he might make recommendations to the Minister of Militia. I became convinced of Mr. Sydney Fisher's continued interference with the duty of Colonel Smart in the selection of officers. Subsequently I sent in a list of officers for the 13th Scottish Light Dragoons to be approved of by the Minister of Militia and gazetted. Included in that list was the name of Dr. Pickel, mayor of Sweetsburg, to command a squadron, a local man of prominence, whose appointment would, I believe, have advanced the interests of the militia. Dr. Pickel was not qualified professionally as on officer——

An hon. MEMBER. Hear, hear.

Mr. SAM. HUGHES. Yes, 'hear' 'hear,' was that the hon. member for Cumberland (Mr. Logan) that spoke ?

Mr. LOGAN. No.

Mr. SAM. HUGHES. The hon. member for Cumberland could very properly explain —we would not expect the hon. member for Cape Breton (Mr. Johnston) to know, but the member for Cumberland can very readily explain what provisional officers mean.

Some hon. MEMBERS. Hear, hear.

Mr. SAM. HUGHES. This letter continues :

—indeed only two out of sixteen of the proposed officers for the 13th Scottish Light Dragoons were militarily qualified. It was impossible, as will be understood, to procure duly qualified officers, as the cavalry regiments in the eastern townships had been increased since May, 1903, from four squadrons, numbering 300 men and 26 officers, to 20 squadrons, numbering 1,600 men and 180 officers on the peace establishment ; and with a war establishment of some 2,700 men. All the gentlemen, however, on the list submitted, undertook to qualify professionally after appointment in the usual manner. This course is customary, and has been forced upon us by the lack of qualified officers. It is a course which has always met with the approval of the Minister of Militia. This list of officers for the 13th Scottish Light Dragoons was submitted to the minister and included in the proposed general order which also included other regiments of the militia. The list of officers of the 13th Scottish Light Dragoons was struck out of the general order by Sir Frederick Borden and I was informed of this circumstances by Colonel Pinault, the deputy minister, in a letter of which the following is a copy :—

Ottawa, May 19, 1904.

Dear Lord Dundonald,—Late last evening I placed before the minister the 'Gazette' dated 18th inst., for approval and submission to Council. With the exception of the part relating to the 13th Scottish Light Dragoons, which the minister desired held over for further consideration, it was approved, and as the minister intended to leave the city this morning for a week or so, rather than delay the submission of the remainder of the gazette he cancelled and initialled the appointments to the 13th instead of returning the draft to you for that purpose.

Very faithfully yours,

(Sgd.) L. F. PINAULT.

Major General the Earl of Dundonald, C.V.O., C.B.,
Commanding Canadian Militia.

A day or two after the first list was cancelled a further list was submitted to me by the adjutant general, which I was informed would be acceptable and the organization of the corps would be permitted to proceed.

This latter list of officers to be gazetted was sent to Council and when returned, the name of Dr. Pickel had been erased and the erasure was initialled by the Minister of Agriculture, who was acting for Sir Frederick Borden.

Thus far it will be seen that Dr. Pickel had been appointed the same as any other officer had been appointed to that corps, who was not professionally qualified, and the statement made by the Minister of Agriculture to the effect that Dr. Pickel was only a provisional appointment and that his was an exceptional case, falls to the ground. As every one connected with our militia knows in every newly organized regiment nearly all the officers must of necessity be appointed provisionally until they can go to the military schools and qualify. Therefore to say the least of it, either the Minister of Agriculture did not understand what he was talking about, or he sought in that statement which he read to mislead the House and the country in relation to the position of Dr. Pickel in this matter. I continue to read :

When in Montreal on the 3rd of June fuller details of the interference of the Minister of Agriculture were communicated to me in conversation, as well as by letter from Colonel Smart, which I received on the morn-

ing of June 4th, the day on which I spoke at the officers' banquet.

Colonel Smart's letter read as follows :—

You will notice that this letter is from Colonel Smart, the officer commanding the new regiment of Scottish Horse in the eastern townships.

Mr. R. L. BORDEN. What is the date of that letter ?

Mr. SAM. HUGHES. Montreal, 4th June, 1904. I can read :

(Copy.)

13TH SCOTTISH LIGHT DRAGOONS.

Montreal, June 4th, 1904.

My Lord,—As requested by you last evening, I have the honour to submit the following facts, in connection with recommendations for appointments submitted by me, and to which the Hon. Mr. Fisher took exception.

Let me point out in passing that the period for the annual drill was fast approaching and any one who has had charge of the organization of a regiment knows that you have to exert yourself when you start in February or January to get a regiment into shape, to appoint your non-commissioned officers and recruit your men and get them in harness. That requires a lot of hard work and exertion even without being hampered as those officers were by the Minister of Agriculture, who deserves the severe censure of the House and condign punishment at the hands of the Prime Minister of this country, I read :

I submitted the name of Dr. F. H. Pickel, who is mayor of the town of Sweetsburg, and warden of the county of Missisquoi, to be major, in command of 'E' Squadron. Dr. Pickel is a gentleman of means, can ride fairly well, and was quite willing to take the necessary time to qualify himself for the position of major. Mr. Fisher objected to him for no other reason than that he was a strong political opponent of his, and was quite determined to block the whole organization, unless Dr. Pickel's name was withdrawn.

That is the statement of Colonel Smart, the officer commanding the regiment, who was being hampered and interfered with and meddled with by the Minister of Agriculture. Colonel Smart continues :

This, I refused to do, as I had invited Dr. Pickel to come into the regiment and told Mr. Fisher that some one else would have to be responsible for the withdrawal of Dr. Pickel's name. After my last visit to Ottawa I consulted with Colonel Whitney, and we came to the conclusion that unless we induced Dr. Pickel voluntarily to withdraw, the organization would be hung up indefinitely.

And the Minister of Agriculture in the face of his knowledge of the fact, has the hardihood to stand before the House and the country and tell the House and the country that Dr. Pickel volunteered to withdraw from the regiment and did not want the job. Colonel Smart continues :

Mr. SAM. HUGHES.

I, therefore, communicated with Dr. Pickel and explained to him that owing to a new regulation, objections were taken to the appointment of unqualified officers, to field officer's rank, and asked him if he would be good enough to allow me to withdraw his name temporarily, to which he consented.

Loyal man ; rather than block the organization of the whole regiment ; rather than have the eastern township district deprived of the benefit of a militia force, he was loyal enough owing to the tyranny of the Minister of Agriculture to withdraw his name temporarily and let the organization proceed. Colonel Smart continues :

I then communicated with Mr. Fisher, saying that I would agree to the withdrawal of Dr. Pickel's name in the meantime, and on the strength of this I believe the appointment passed through Council. Your Lordship will observe that I have not withdrawn Dr. Pickel's name absolutely, and have kept the position of major in 'E' squadron vacant, in hope that I may yet have Dr. Pickel appointed.

I know this is a surprise to the First Minister. I do not believe for a second that the First Minister thought his Minister of Agriculture would stoop to such a position as is outlined here, and I am satisfied that before many days are over, he will call on the Minister of Agriculture to hand in his resignation and take his place on the back benches :

Hon. Mr. Fisher also took exception to the name of Mr. T. R. Pickel, who is also very enthusiastic, and would make a capital cavalry officer.

Evidently the Pickel family do not get on with the hon. minister——

I had submitted Mr. Pickel's name, recommending that he be appointed captain in 'E' squadron——

This is the second Pickel, and now the Minister of Agriculture is in the third pickle——

—but Mr. Fisher insisted that I substitute the name of Lieutenant R. Steacie, making him captain, and Mr. Pickel first lieutenant. I pointed out to Mr. Fisher, that Mr. Pickel being a resident of the townships was entitled to a senior rank in preference to Mr. Steacie, who lives in Montreal, and moreover as Mr. Steacie is a relative of mine, it would place me in a false position, and appear as though I was unduly advancing him, at the expense of others. However, Mr. Fisher evidently had his mind made up on the matter, and insisted on the change to which I reluctantly agreed. I regret to say that this has caused some dissatisfaction, and I would like at the first opportunity to transfer Mr. Steacie to another squadron, and recommend Mr. Pickel for his captaincy.

I understand that the 'Gazette' will show that this Captain Pickel was actually gazetted captain of the squadron, and through the meddling and tyranny of the Minister of Agriculture, he was forced to give up that position, and let this Montreal officer be appointed over his head. Now we come

to the place which shows how solicitous the Minister of Agriculture was for the defence of the country and for getting the best fitted men for these positions :

With regard to the adjutancy; Captain Converse, whom I selected for this position has served in the militia for about fifteen (15) years, and for a long time served as sergeant major in the Duke of York's Hussars. Mr. Fisher asked me to drop this gentleman and substitute Mr. Adams of the 6th Hussars, a gentleman who is very deaf, and whom I consider physically unfit for the position. I absolutely declined to consider this at all——

The man had some self-respect. He was willing to be trodden on to some extent, but when it came to an appointment like this, he refused to consent. Colonel Smart goes on :

—and Mr. Fisher waived his objections. He then asked me to recommend Mr. Adams for major to command 'E' squadron and this I also flatly declined to do.

Out of five gentlemen whom Mr. Fisher recommended for commissions three have absolutely declined to come into the organization so that after all the trouble and worry inflicted on the regiment, Mr. Fisher has only been able to find two officers, both of whom are unqualified, and do not in any way compare with Dr. Pickel whom he rejected.

The above are the main facts in connection with this unfortunate matter, but if there is any further information desired, I will be pleased to submit it.

I am, Your Lordship's humble servant,

(Signed) CHAS. A. SMART,
Lieutenant-Colonel.

His Lordship, the Earl of Dundonald,
C.V.O., C.B.,
Major General,
Commanding Canadian Militia.
June 4, 1904.

Colonel Smart is the officer commanding the regiment, and I may say that Colonel Whitley, whose name is mentioned here, is the brigadier commanding the cavalry brigade in the eastern townships. Lord Dundonald continues :

I may here state that I have just communicated with Colonel Smart and it is by his permission and desire that I include this letter.

The following extract from the 'Montreal Gazette' of June 9, except for a few slight omissions and inaccuracies gives a very fair report of what I said at Montreal on the subject in question. The word 'education' should read 'etiquette,' and the word 'champion' should read 'warden.' The reference to lack of etiquette at Ottawa had no application except to official matters connected with my duty.

'When a nation is at war, and when national danger stares a nation in the face, it entrusts the promotion and the selection for the advancement to the general whom it entrusts to lead it. Political intrigues, intrigue for personal advancement other than that deserved by military efficiency, is dormant in time of national terror. (Hear, hear.) But when peace comes and all is quiet, and the vigilance of a nation for its national interests is at rest, political wiles and political schemes then begin to weave their nets, the nation no longer, at that time being watchful. But I do not care, gentlemen, who the man is, if he advances one man and penalizes another on account of the political colour of his party, I say that man, whosoever that a man may be, is not a friend of his country. (Applause.)

Recently, gentlemen, a gross instance of political interference has occurred. I sent a list of officers of the 13th Light Dragoons to the 'Gazette.' I was astonished to receive the list back with the name of one officer scratched out, and initialled by the Minister of Agriculture, Mr. Sydney Fisher. That gentleman was a man I considered well equipped to serve the King in the 13th Scottish Regiment (applause) —Dr. Pickel, Mayor of Sweetsburg, chosen of the people, one of the champions (wardens) of Missisquoi. What better man could serve the King. I feel certain that had Mr. Fisher's life led him to soldiery instead of to agriculture, he would feel annoyed, perhaps on personal grounds, on the extraordinary lack of education (etiquette) involved in scratching the name of a gentleman put forward by a man whose business it is to find sufficient officers for the militia. (Applause.) But on personal grounds, gentlemen, I don't in the least mind. Lack of etiquette affects me little ; I have been two years in Ottawa, gentlemen, (Laughter.) It is not on personal grounds that I inform you of this, but it is on national grounds. (Hear, hear.) I feel, gentlemen, anxious, profoundly anxious that the militia of Canada may be kept free from party politics. (Hear, hear and loud applause.)

Now, I can readily understand the position of Lord Dundonald, a distinguished officer who has been sent here to look after the best interests of the militia of Canada, an officer whose family has been distinguished in history from generation to generation. One of his ancestors was the famous admiral who commanded the British frigate at Navarino ; another fell at the capture of Louisburg in the eighteenth century ; and the General Officer himself is distinguished in every part of the world where he has served. The Strathcona Horse and other Canadian corps followed him again and again to victory in South Africa, and I can readily understand the annoyance that an officer of his standing should feel, on coming out here, with the best interests of the empire at heart—with the best interests of Canada at heart, because the interests of Canada are the interests of the empire—at having to put up with this thing from week to week, and finally becoming so exasperated as he did at that banquet in Montreal as to strike from the shoulder, determined that come what might he would for all time to come put a stop to such petty meddling as has been indulged in by the Minister of Agriculture. Lord Dundonald, I suppose, cares not what happens to him so far as his future in Canada is concerned ; but whatever it may be, I feel sure that he will continue to have at heart the best interests of Canada and all parts of the British empire. What he has done has been to strengthen the hand of the Minister of Militia, in putting a strong iron

heel down on the Minister of Agriculture and any others in this country who would seek to introduce party politics into the militia of Canada. I move that the House do now adjourn.

Mr. FISHER. Before that motion is put, Mr. Speaker, I think I should make some reference to the various statements which have appeared in the documents that the hon. member for North Victoria (Mr. Hughes) has submitted to the House. I shall not discuss in any way the propriety of the General Officer Commanding taking the hon. gentleman as his medium of communication to the parliament of Canada, when he is an official of the government of Canada and subordinate, in the Department of Militia, to my hon. friend and colleague the Minister of Militia.

Mr. SAM. HUGHES. May I interrupt a moment? I presume the hon. minister is not acquainted with the constitution of the country or he would not make a statement of that kind. A member of parliament is superior to any military man in Canada, and a member of parliament—even be he an admiral as Lord Napier was or General Officer Commanding or ordinary colonel or lieutenant colonel—is absolutely independent, as a member of parliament, of any minister of the Crown.

Mr. FISHER. I fully accept my hon. friend's statement, but I do not think that it in any sense conflicts with what I have just said. The hon. gentleman may be the means of communication to parliament on behalf of any one who has no official connection with the government, but when the matter is one affecting the relations between an officer and a member of this government, I decline to acknowledge that the hon. gentleman, or any other hon. member is the proper medium of communication between that official and the parliament of Canada. I wish to cast no reflection upon General Lord Dundonald further than to say that, in his position of General Officer Commanding, he is setting a bad example to the militia of Canada when he neglects the courtesies of official position and violates the canons of official discipline, as he has done in this matter.

Regarding the hon. gentleman himself, I confess that I never appreciated how low I was, until I heard him say that he had to descend to my level.

I was rather astonished at his statement with regard to the Sherbrooke drill shed; and when the proper time comes to discuss that question, I shall be quite ready to meet him or any other hon. gentleman on that side, and go into details of that matter, and have no doubt that I shall convince any fair, impartial mind that in what I did I acted in the interests of the militia of the district as well as of the people.

The hon. gentleman read a letter of which he declined to give the name of the author.

Mr. SAM. HUGHES. I beg the hon. gentleman's pardon.

Mr. FISHER. He read a letter, which, I understand, came from Col. Fraser, a colonel in command of one of the regiments in the district of Sherbrooke. He stated that it came from an officer who had served his country in South Africa. Sir, Col. Fraser never was in South Africa and never served his country outside of Canada. It was a brother of his who went to South Africa, but not the gentleman who wrote that letter. The hon. gentleman also referred to my leader the Rt. Hon. Sir Wilfrid Laurier, and for once in his life, after the reply of my right hon. leader, for the first time under my observation, the hon. gentleman actually showed some signs of shame. For once in his life he was speechless for the moment. It is not usual for the hon. gentleman to be speechless. We all know his record in militia matters in this country and outside, and we all can remember well how his tongue was wont to wag in criticism of his military colleagues in Canada and elsewhere, men far superior to him——

Mr. SAM. HUGHES. Let me say here——

Some hon. MEMBERS. Order.

Mr. FISHER. The hon. gentleman has no right to interrupt.

Mr. SAM. HUGHES. I rise to a point of order. I want the same fair treatment that I have accorded the Minister of Agriculture.

Mr. SPEAKER. What is the point of order?

Mr. SAM. HUGHES. It is this, that when an hon. member in this House rises to ask another a question, he should not be interrupted.

Mr. FISHER. The hon. gentleman has just shown his sad lack of knowledge of the rules and regulations of this House. He has just given us an exhibition either of his utter ignorance or his deliberate desire to override the decencies of debate in this House. With regard to the matters which have been brought forward in the communication which Lord Dundonald has seen fit to send to the hon. member, I wish to refer to some of them because they are personal to myself. In this communication, General Lord Dundonald first of all accuses me of having put obstructions in the way of the organization of this regiment in the eastern townships. I have just this to say in reply. I think I was the first to recommend and urge the establishment in the eastern townships of a cavalry regiment. The establishment of such a regiment I desired for two reasons. In the first place, because I believed it would be in the interests of the militia of Canada, and in the second place I believed it would lead a number of our young farmers in the townships, who own horses, to become military horsemen and in that way contribute to the military

strength of the country. I found that apparently what I wished has been carried out. I noted with satisfaction the reports of recommendations for appointments pointing in that direction. It was some time after that I received letters from gentlemen in the eastern townships asking for appointments in this regiment. I sent these letters on to my colleague the Minister of Militia and requested consideration for them. I had nothing whatever to do with any further work in that connection, nor did I take any part or action in the matter until about the month of April last, when I received some communications from the townships indicating that Col. Smart, who had been appointed to the command of this regiment, had come out there and was proposing appointments, some of which indicated that he was not familiar with the country or the people, and which I believed would be inimical to the success of the regiment. I referred these matters to my colleague and pointed out to him that in the organization of such a regiment in the townships, it was extremely desirably that men familiar with the country and the people should be given permanent positions in that corps, providing always they had the requisite military qualifications. My hon. colleague has explained what action he took. I had no further discussion of the matter with anybody, although I received some letters which I referred to my colleague, the Minister of Militia, until I was asked by him to meet Colonels Whitley and Smart with him. I did so, and I then had placed before me by Col. Smart a list of the appointments which he proposed to recommend. These were numerous and most of the appointments were those of people I knew personally and in many cases of well known Conservatives of the district.

I took no exception to this. But I found a recommendation in regard to the neighbourhood of Sweetsburg, which, I confess, surprised me, and to which I did take exception. I must premise my explanation in regard to this matter by saying that Senator Baker, of Sweetsburg, is the acknowledged and active leader of the Conservatives of that district. I found this list of proposed names for the staff for the neighbourhood of Sweetsburg. First, Mr. John M. Gibson, a nephew of Senator Baker, and talked of as a possible Conservative candidate in the constituency of Missisquoi, to be third in command of that regiment. Dr. Pickel one of the strongest Conservative workers of the neighbourhood and a family connection of Senator Baker, to be major in command of the squadron which, though gazetted for Adamsville, was to be changed to Sweetsburg to suit his convenience. Mr. G. H. Baker, son of Senator Baker, to be senior captain of the said squadron. Mr. Thomas R. Pickel, son-in-law of Senator Baker to be the junior captain of the said squadron. Then there were the names of two gentlemen, Messrs. Steacie and Reynolds of Montreal to be lieutenants. And down at the bottom of the list Mr. Thomas F. Cotton a Liberal, son-in-law of the above-mentioned John M. Gibson, and grand nephew of Senator Baker. I told these gentlemen that, putting aside any question of military qualifications, which I afterwards went into, such a list of officers for that squadron in that neighbourhood would be held to be an instance of political preferment, and that it would be impossible to remove from the minds of the people of the district of Bedford the impression that the colonel who made such recommendations and was responsible for the success of this regiment had deliberately undertaken to turn that squadron, if not the whole regiment, into a political Tory organization. I pointed out, what was a notorious fact that, for years, in the old times, the military organizations of the district of Bedford, the 52nd Brome batallion, and the 60th Missisquoi batallion had been well known Tory organizations, that no Liberal was welcomed into their ranks, and, if, by any chance a Liberal got into their ranks he had to take a subordinate position and was always hopeless of promotion or preferment. And I said that, if such a recommendation as that were to go through and be known to the district of Bedford, nothing under heaven would remove the impression from the people of the county and of the country that the new regiment was to be conducted on the lines of the old regiments there, and that it would receive its baptism and would make its beginning as a Tory organization. I said that this was contrary to the interests of the regiment, and that such a list as that I could not approve. I venture to say—and I am within the judgment of everybody in this country—that it was not I who was guilty of introducing political preferment, but it was the gentlemen who were responsible for these recommendations. And I venture to say that, in the interests of the militia and with the object of removing all questions of political preferment from the regiment, I was right in making the protest that I did against that list. Sir, what were the military qualifications of these men? Mr. John M. Gibson is a graduate of the military school of Kingston. For many years he has taken no part in military affairs. But I pressed on Colonel Whitley and Colonel Smart that the fact that he was a graduate of the military school was sufficient to stamp him as eligible to hold high command, and I believed that it would be right that he should be the highest officer in the regiment chosen from the district. Mr. John M. Gibson is a well known Tory. But I endorsed his appointment and said it was a right one, because he had the military qualifications. In regard to Provisional Lieutenant Baker, he had been

in camp one year and I said that that was sufficient justification and entitled him to consideration, and I endorsed his appointment as captain of this particular squadron. But, in regard to Dr. Pickel and Mr. T. R. Pickel I said that I did not consider that their military qualifications entitled them to the positions to which they were being appointed. I did not object to their being appointed to some positions. I do not know much about military matters, but I do know enough to believe that before a man had put upon him the responsibility of being officer in command of a squadron in a cavalry regiment he ought to have some military experience and some military training. Therefore, I objected to Dr. Pickel being appointed as major of that squadron. Other names and proposals were in the list that I saw. Amongst them was the proposal that a certain Mr. W. H. Russell should be appointed as major of the Stanbridge squadron and, in the same squadron, appeared the name of Lieutenant Holland, V.C., of Montreal, not as major but as captain. Now, Mr. Russell is a well known Liberal of the county of Missisquoi. I pointed out to Colonels Whitley and Smart—and took the initiative in doing so—that it would be more fitting that Lieutenant Holland should have command as major of that squadron as he was a gentleman holding the Victoria Cross and one with South African experience. I suggested that change and that the experienced military officer should be given the command of the squadron, even though it meant that a well known Liberal should be put in a subordinate position. Another name that I found in that list was Lieutenant Guy Carr, of Compton, a gentleman living outside the district but in the eastern townships. I said that I knew Captain Carr to be an old cavalry officer. He was a well known Conservative in the county of Compton, but I welcomed his name in the regiment, was delighted to see it there and so expressed myself.

Mr. MONK. May I ask the hon. gentleman (Mr. Fisher) when all this occurred ?

Mr. FISHER. On the occasion to which my hon. friend the Minister of Militia referred—the occasion when he asked Colonel Whitley and Colonel Smart to come here to discuss matters connected with the regiment. I explained that on opening my remarks. Another name was that of Surgeon Major Macdonald. He is a well known Conservative politician of my own county who has always consistently—as, according to his principles he ought—opposed me in my political campaign. I insisted to Colonels Whitley and Smart that Surgeon Major Macdonald was the right man to have the highest medical position in the regiment because I had known him for years as an enthusiastic militia man ; he had been in an infantry regiment and if he were willing to take a position in a cavalry regiment as medical officer, it was his due, and I hoped he would take it.

I think this fairly enough disposes of the question as to my general interference, and as to the position I have taken. I will sum up this—and I take the full responsibility of saying it—that this regiment was to be established in the eastern townships and I wanted it to be a credit to the eastern townships ; I wanted it to be a cavalry regiment of which all the people of the eastern townships would be proud. As much as possible, if men of the proper military qualifications could be found in the eastern townships, I wanted it to be officered by eastern township men.

Not because I had any jealousy of outsiders, not because I objected to men coming from Montreal or elsewhere to command in the eastern townships, but because I believed and I believe it still, that men who are of the people there, men who know the country, the conditions and the character of the people are more likely to succeed in recruiting the rank and file for a regiment in the eastern townships and more likely to make it a success. When I saw that Col. Smart was appointed to the command of this regiment I recognized at once that, so far as I knew the militiamen of my district of the eastern townships, there was no man there qualified to take command of the newly organized cavalry, and I supposed that the man selected by Lord Dundonald and Col. Whitley, the brigadier of that district, was a man properly qualified. There was no objection to Col. Smart holding command of this regiment. The only suggestion I did make was that any further appointments to that regiment should be made, as far as possible, from the people of the locality who had the proper military qualifications. I believe that in asking for and insisting on that I was doing what was in the best interests of any regiment in the militia of this country. I have now explained the only cases in which I have discussed political matters in this connection. I only discussed them because I found in a particular squadron a list of officers which appeared to have not only a political complexion but even a family complexion, and I warned these gentlemen who, not knowing the country, not knowing the individuals, not knowing the relationship in connection with these people, I believed innocently, were led by local people into doing a thing which if it had been allowed to go through would have been a fatal blow to the efficiency and the success of this regiment. Sir, I plead guilty to that much interference in the matter on the ground of politics. And if that much of such interference is not in the interest of the regiment and of the country, and if men who apparently may have been—I do

not say they were—carrying on these intrigues in regard to military appointments, these political intrigues to which Lord Dundonald refers, had been permitted to carry through their proposal, instead of being an interference on behalf of Liberals, of which I am accused, it would have been a deliberate interference and political intrigue on the part of Conservatives for the purpose of making this regiment what the old regiments there were, a Tory preserve and a Tory organization. If that is political interference I plead guilty to it, because I object to the Tories getting the advantage of intrigues in militia matters just as much as I would be ashamed to undertake any political intrigues in militia matters for the benefit of the Liberals. There is but one other matter to which I wish to refer. Lord Dundonald's last communication to the House has been before me for only a few moments. I have only had the opportunity of hearing it read and of glancing over it, but I must correct several statements which are here contained in regard to myself. Lord Dundonald says.

> I accordingly twice communicated with Mr. Fisher by telephone on two dates some distance apart, and made appointments with him in order that the reason for the obstruction might be explained. Mr. Fisher did not keep either of the appointments.

I am speaking now from memory as I suppose Lord Dundonald was writing from memory. Lord Dundonald did call me up on the telephone to discuss this question. When he began to discuss this, I suggested to him that I did not care to discuss such a matter over the telephone and that if he wished to talk the matter over with me I was at his disposal. I do not know that I am called upon to seek out Lord Dundonald and to get him to ask his permission to discuss these questions with him. I think that, if Lord Dundonald wished to discuss these matters with me, he might very easily have come to my office instead of calling me up by telephone, and have asked to have a few quiet minutes in my office to discuss this question. I intimated to him when he called me up on the telephone that it was impossible to discuss these matters over the telephone but that I was at his disposal if he wished to discuss them with me. On the second occasion Lord Dundonald again called me up and again began to discuss these questions. I cannot for the moment remember the full words of what he said. He is right in saying that he explained the urgency of completing the organization of the regiment without delay. I agreed with him. He also then went on to say that the trouble was one of political interference. I said I regretted if there was any political interference. I had in mind the list of officers I had seen. Lord Dundonald went on to discuss the question with me, and I again said to him I did not care to discuss the questions over the telephone. Lord Dundonald then said to me: I am responsible for the militia of Canada and I cannot be interfered with in this way.

Some hon. MEMBERS. Hear, hear, that is right.

Mr. FISHER. These are just about the words he used. I said that nobody wished to interfere with him that I knew of. He went on again and repeated that political interference was blocking the completion of this organization.

Mr. FOWLER. So it was.

Mr. FISHER. He again repeated that he was responsible for the militia for Canada. I said then to Lord Dundonald: ' I beg your pardon, Lord Dundonald, but I think that it is the government of Canada that is responsible for the militia of Canada and not you.' I also said that if I had done anything in this matter I had done it as a responsible minister of the government of Canada because I believed it was necessary to make this regiment as great a success as possible. Those may not be the exact words but that is the exact substance of what I said, and without in any way desiring to attribute motives or to put thoughts into Lord Dundonal's mind, I fear very much that that gentleman has been influenced by the information which I gave to him that I considered it was the government of Canada and not he who was responsible for the militia of the country.

Lord Dundonald goes on to say a number of things to which I shall not allude with regard to Mayor Pickel, &c., as I have already dealt with them. He however, then goes on to show clearly by a letter to Col. Pinault, that he was perfectly well aware of the fact that I had been requested by my colleague to sign this particular recommendation. He knew perfectly well that that list of officers was to be gazetted with the understanding that that name should be striken out. And yet his words at the banquet of Montreal, I submit to any unprejudiced person, would lead the public to believe that I, the Minister of Agriculture, had taken a recommendation of my colleague the Minister of Militia and had changed it on my own responsibility. Now, if Lord Dundonald had felt as he appears to have felt, if he had shown that courtesy and attention to etiquette which might reasonably have been expected from one gentleman to another, or if he had shown a little common sense, which he might perhaps have learned in his two years' sojourn in Ottawa, he would, instead of rushing into a public speech, have asked either the Minister of Militia or myself for an explanation in regard to these things before making misstatements and creating a wrong im-

pression in the public mind and amongst the officers who were present at that Montreal banquet.

Now, I have only further to say that I have Col. Smart's letter to Lord Dundonald. I do not wish to cast any reflection on Col. Smart. I do not wish to say anything derogatory of him as an officer but I do venture to say this, that the tenor of this letter is such as to create an impression on the mind of anybody who reads it or hears it read which is not consonant with the facts as they have occurred. I have in my office to-day letters from Col. Smart and Col. Whitley in which they express their extreme satisfaction with the stand I took in regard to this regiment and with regard to these matters. I have letters from both these gentlemen thanking me in profuse terms for the interest I have taken in the regiment and asking my co-operation. I have letters from both of these gentlemen thanking me for pushing on the question of the establishment of that regiment and especially letters from Col. Smart thanking me for putting through the order which Lord Dundonald complains of. I will just now show the House and the country how utterly unfounded are these statements of Lord Dundonald and Col. Smart himself when he refers, as he does in this letter, to the case in regard to Dr. Pickel. I will read again Col. Smart's letter to me of May 19, on which I acted, passed and signed the order and recommendation to council. Col. Smart in his letter of June 4, to Lord Dundonald says :

I, therefore, communicated with Dr. Pickel and explained to him that owing to a new regulation, objections were taken to the appointment of unqualified officers, to field officers rank, and asked him if he would be good enough to allow me to withdraw his name temporarily, to which he consented.

I would point out that Col. Smart and Lord Dundonald were actually proposing to name a gentleman who had no military experience of any kind whatever, who never had been associated in any way with military matters, to the position of field rank, not an ordinary subaltern in a squadron or company, but to a position of field rank in which he would have command of a full squadron and be responsible for the men under him in every respect. He says also :

Your Lordship will observe that I have not withdrawn Dr. Pickel's name absolutely, and have kept the position of major in 'E' squadron vacant in the hope that I may yet have Dr. Pickel appointed.

Then, I have Col. Smart's letter to me on which I acted and I took no official step until I had received this letter from Col. Smart. This letter is dated May 19th. I would say in regard to this letter that Col. Smart came to me early on the morning of that day in my office when we talked over these matters. After that he went from my office to the Department of Militia and Defence to have his recommendation embodied in a report and put through having said that he would try to get that report to my office that afternoon to have it passed by council. It did not reach me however, until the next morning. Col. Smart went back to Montreal that night—May 19, and met Col. Whitley as he says :

Immediately on my return this evening I met Lieutenant-Colonel Whitley and discussed fully with him all matters in connection with our interview of to-day. Colonel Whitley was pleased to learn that everything was arranged satisfactorily and at his request I telephoned to Sweetsburg with a view of getting from Dr. Pickel his final answer as to whether or not it was his intention to remain in the squadron.

Col. Smart says in his letter to Lord Dundonald :

Your Lordship will observe that I have not withdrawn Dr. Pickel's name absolutely.

And yet he asked him for his final answer.

Sir FREDERICK BORDEN. And got it.

Mr. FISHER. And got it.

In accordance therefore with Dr. Pickel's request I can now as commanding officer of the regiment request you to kindly make the change in the 'Gazette' by leaving Dr. Pickel's name out.

I acted in this matter not as a partisan politician, but I acted as a friend of the regiment, as a friend of the commanding officer who was asking me to do this, and I only signed the recommendation to council after I had received a letter from that gentleman telling me that Dr. Pickel had given his final answer as to his connection with the regiment and after the commanding officer himself asked me to strike his name out. I did that, not in my own position as Minister of Agriculture, but, as is common in connection with the affairs of government, acting for my colleague who had requested me to act for him.

Now, I do not think that there is anything further for me to say except this, Col. Smart says that he has kept that position open for Dr. Pickel. Col. Smart on several occasions asked me to make a recommendation of an officer to fill that position. I said that I did not know anybody in the district with sufficient military qualifications to fill it and that I would not recommend anybody until I had been able to find such a one.

Captain Guy Carr, a well known Conservative in Compton county had been for many years a cavalry officer in that county and when it was proposed that he should be exchanged into this regiment I thought he was a suitable man to occupy the position of Major of the regiment. The only name that I suggested to take Dr. Pickel's place was that of a qualified military man

who was a well-known Conservative. Now, Mr. Speaker, I do not think I need go any farther. I would not have taken up the time of the House this afternoon had the hon. member for North Victoria (Mr. Hughes) not brought up these extraordinary letters and had he not undertaken to make insinuations and to make attacks upon me personally. I leave myself to the judgment of the House and through the House to the judgment of the country as to whether I have done anything to interfere with the efficiency of the militia of Canada or anything which is not consonant with the dignity of a public man.

Mr. R. L. BORDEN (Halifax). Mr. Speaker, if anything were required to justify the remarks which Lord Dundonald made in Montreal I would think it would be the very distinct admissions which the hon. the Minister of Agriculture (Mr. Fisher) has made to-day. He has admitted the whole case distinctly and absolutely. There can be do doubt of that and strange to say in making that admission he has to a very considerable extent in regard to the facts set forth in Col. Smart's letter, made a statement in absolute contradiction of the statement which he has read to the House this afternoon. Let me remind the hon. gentleman what he then said :

> This is a simple statement of the facts of the case, which—without referring in any way to the propriety of the General Officer Commanding discussing in public, official recommendations, without referring to the broad question of the propriety of an official of the government of Canada criticising the official action of a member of that government—absolutely disproves the charge that for political reasons I have undertaken to strike out a name which had been submitted to the Minister of Militia for appointment in the service.

That was the statement of the hon. gentleman as read to the House this afternoon. The remarks to which we have just listened are not at all consistent with another portion of his written statement which is as follows :

> In regard to Lord Dundonald's general statement that I interfered with the organziation of the corps and with the names of other proposed officers of the corps as well as Dr. Pickel, let me say this : that the only grounds on which I made any suggestion with regard to the establishment of this corps were the immense importance of the appointment of leading officers with military qualifications who knew the country and the people of the eastern townships, the district where the corps was to be established; that I took no exception to anybody's appointment on political grounds alone, as evidenced by my recommendation and endorsement of many well known Conservatives ; that no one believes more thoroughly than I do that the first necessity on the recommendation of officers on the establishment of a new regiment is miliatry qualification.

The Minister of Agriculture distinctly admitted this afternoon, that because Dr. Pickel was a Conservative and because he did not think it was desirable that so many Conservatives should be officers of that regiment, he suggested, indeed insisted, upon the withdrawal of his name and absolutely refused to permit the organization of the regiment to be proceeded with unless Dr. Pickel's name was withdrawn. If the remarks of the Minister of Agriculture do not mean that, I would like to know what they do mean. Why should the Minister of Agriculture be concerned as to whether any man appointed by the commanding officer of this regiment, was a Liberal or a Conservative ? Surely we have partisan politics introduced into enough of the aspects of life in this country without having the Minister of Agriculture running around and interfering with that which does not concern him, and of which he knows nothing ; interfering with the work of those who know ten thousand times more about it than he does, and insisting that the officers of this regiment shall have a particular political complexion. And, if you get qualified men to serve their King and country in a regiment of Canadian volunteers what difference is it whether they are Liberals or Conservatives.

You will observe, Mr. Speaker, that the Minister of Agriculture was anxious that men of proper military qualifications should be appointed, and he sets himself up as an expert against the men who are charged with organizing this regiment. These gentlemen were Colonel Smart, against whom there is no word of reproach so far as his capacity is concerned, and Lt.-Col. Whitley, who is described in this way in the memo. which the Minister of Miliia read :

> I was aware that Lt.-Col. Whitley, one of the ablest and most efficient cavalry officers in Canada had been consulted with reference to the organization of the proposed new cavalry regiment mentioned.

And now, from the letters which were read by the Minister of Agriculture we find that his recommendations were necessary to every appointment that was made. These military men, these officers of experience, were not to be allowed to pronounce upon the military qualifications of the gentlemen proposed as officers, but the Minister of Agriculture, an expert, so it seems, in military service, is to be allowed to interfere and to prevent these men from serving their King and their country. That is the position of the Minister of Agriculture before the House and the country to-day. Let me tell him, when he sees fit to make an attack in a sneering tone upon the hon. member for North Victoria (Mr. Sam. Hughes) who has served his King and country with distinction not only in Canada but in South Africa; let me tell the Minister of Agriculture that

he had better bear in mind that he, and not the member for North Victoria is on trial before the country to-day.

The Minister of Agriculture has admitted the whole case. No comment is necessary. Lord Dundonald's remarks are absolutely justified by the Minister of Agriculture himself. The Minister of Agriculture wanted no appointments, so he says, that would be inimical to the interests of the regiment. Does he suppose that he is a better judge of what is inimical to the interests of the regiment than one of the best cavalry officers in Canada who was in consultation with the efficient officer selected to command this cavalry corps. The statement of the Minister of Agriculture this afternoon, in which he admits this uncalled for interference, has absolutely justified every word that Lord Dundonald has uttered with regard to this unfortunate matter.

Has the Minister of Agriculture ventured to contradict the very distinct statements which have been made by Lt.-Col. Chas. A. Smart, who says :

I submitted the name of Dr. F. H. Pickel, who is mayor of the town of Sweetsburg, and warden of the county of Missisquoi, to be major in command of 'E' Squadron.

It does not require very much knowledge of military affairs to know that in the formation of a regiment of this kind, as you cannot get qualified military men you must get men of prominence, men who are willing to be qualified, men who are enthusiastic in the service and who are likely to make good officers after they have been duly qualified. These officers were selected by the men who are charged by this country with the performance of that duty. Lt.-Col. Smart continues :

Dr. Pickel is a gentleman of means, can ride fairly well, and was quite willing to take the necessary time to qualify himself for the position of major.

Let me point out once more, that of the sixteen men selected for officers in this regiment only two were properly qualified, but Dr. Pickel who happened to be a Conservative, is the only man according to the Minister of Agriculture, to be debarred from entering the service of his King, because he has not the necessary military qualifications. Col. Smart has no objection to this letter being made public, and indeed Lord Dundonald states he has desired that it should be made public. He proceeds :

Mr. Fisher objected to him for no other reason than that he was a strong political opponent of his, and was quite determined to block the whole organization, unless Dr. Pickel's name was withdrawn.

The Minister of Agriculture has not put it in quite such strong terms as that, but he has practically admitted the same thing in his last statement to the House, although the first statement which he read was of an entirely different conplexion, Col. Smart continues :

This, I refused to do, as I had invited Dr. Pickel to come into the regiment, and told Mr. Fisher that some one else would have to be responsible for the withdrawal of Dr. Pickel's name. After my last visit to Ottawa I consulted with Colonel Whitley, and we came to the conclusion that unless we induced Dr. Pickel voluntarily to withdraw, the organization would be hung up indefinitely.

Now, this gentleman is stating the conclusion at which he arrived, after consultation with the officer above him, Lt.-Col. Whitley, who has been described by the Minister of Militia as one of the ablest and most efficient cavalry officers in Canada. After consulting with this gentleman, Lt.-Col. Smart came to the conclusion that the partisan interference of the Minister of Agriculture in the organization of this regiment, with which the Minister of Agriculture should not interfere at all, was of so serious a character, according to the deliberate opinion of these two gentlemen, that the whole organization would be stopped unless the name of Dr. Pickel was withdrawn. And my hon. friend the Minister of Agriculture has the hardihood, has the courage to stand up in this House, and before the people of the country, and say, that in playing that part he played a part of which no public man in this country might be ashamed, a part indeed of which he declares himself proud. Col. Smart continues :

I, therefore, communicated with Dr. Pickel and explained to him that owing to a new regulation, objections were taken to the appointment of unqualified officers, to field officers rank, and asked him if he would be good enough to allow me to withdraw his name temporarily, to which he consented.

I would like to ask the Minister of Militia whether or not the officers senior to Dr. Pickel in the 13th Scottish Light Dragoons, are all militarily qualified, because that is very important.

Sir FREDERICK BORDEN. I believe they are.

Mr. R. L. BORDEN. Is the minister able to state that as a fact ?

Sir FREDERICK BORDEN. That is my belief. I think there is no doubt of it. I have not the whole record before me. I have only the particular 'Gazette' which we are considering. But my belief is that they are all qualified.

Mr. R. L. BORDEN. Is Lt.-Col. Smart correct in stating that of sixteen officers of the 13th Scottish Light Dragoons, only two had the necessary military qualifications ?

Sir FREDERICK BORDEN. Nine out of sixteen possessed military qualifications.

Mr. R. L. BORDEN. The necessary military qualifications for their rank ?

Sir FREDERICK BORDEN. Some of them were taken from former regiments. Some of them were from regiments that had been disbanded, with the expectation that these officers would be utilized. Others were taken from regiments in the city of Montreal. Without any doubt about it at all, I state that nine out of the sixteen had military qualifications.

Mr. R. L. BORDEN. My hon. friend the Minister of Militia must not suppose for a moment that we do not understand the difference between his answer and what I am asking. I am asking whether more than two of these men possessed the military qualifications necessary for the rank to which they were appointed.

Sir FREDERICK BORDEN. I will only say that the 'Gazette' shows that an asterisk was placed by the General Officer Commanding opposite certain names, with the following note :—

As a special case, and will be asked to pass qualifying examination.

That asterisk appears opposite only five names, so far as I can observe. In addition to those five, however, there are appointed lieutenants provisionally, and they should be added to the five namely, T. R. Pickel, H. W. Reynolds, and T. F. Cotton. That would make eight. That is the exact condition of things revealed in the original 'Gazette,' which I have here.

Mr. R. L. BORDEN. I do not know that my hon. friend the Minister of Militia has made it very plain to me yet. It is perfectly clear that a considerable number of the officers besides Dr. Pickel had not the military qualification necessary for their rank, and therefore that part of the objection of the Minister of Agriculture disappears entirely. Lord Dundonald has stated, and I have not understood the Minister of Militia to contradict him, that in the organization of a regiment of this kind, it is always necessary to take unqualified men, with the understanding that afterwards they shall become properly qualified. Lord Dundonald with regard to that has said this :

Dr. Pickel was not qualified professionally as an officer ; indeed only two out of sixteen of the proposed officers for the 13th Scottish Light Dragoons were militarily qualified. It was impossible, as will be understood, to procure duly qualified officers, as the cavalry regiments in the eastern townships had been increased since May, 1903, from four squadrons, numbering 300 men and 26 officers, to twenty squadrons, numbering 1,600 men and 180 officers on the peace establishment ; and with a war establishment of some 2,700 men. All the gentlemen, however, in the list submitted, undertook to qualify professionally after appointment in the usual manner. This course is customary, and has been forced upon us by the lack of qualified officers. It is a course which has always met with the approval of the Minister of Militia.

Therefore that part of the argument of the hon. the Minister of Agriculture absolutely fades away, and we are left with the bald fact that the only obstacle which stood in the way of Dr. Pickel's serving as an officer in this regiment was that he happened to entertain political opinions different from those entertained by the hon. the Minister of Agriculture. That is all there is about it, after the hon. minister's own statement and after the best consideration which we can give to the facts brought before the House. That conclusion absolutely justifies the statements of Lord Dundonald.

And here let me remark that whatever else we may say of Lord Dundonald, I think we all believe that he came to this country, and has remained in this country, inspired solely and absolutely with a sincere desire to advance and improve the militia service in Canada. I do not think he has had any other object or aim throughout his entire career, and I believe that those of the military men of Canada who have come in contact with him and have thus learned to appreciate and to honour him, will bear me out in that tribute. He is a man of simple, straightforward character, a thorough soldier in every respect; and I can well understand the irritation which he would feel, and from which he undoubtedly would suffer, when he found that the organization of a cavalry regiment in the eastern townships was being hung up and delayed, and stood in danger of being indefinitely postponed, simply for the reason that certain officers proposed to be appointed to that regiment did not entertain political views in harmony with those of my hon. friend the Minister of the Agriculture.

The government, however, adopted a rather curious mode of dealing with Lord Dundonald. From the statements which we have heard read in the House this afternoon, it is perfectly obvious that what must have been construed as an attack upon that officer was proposed to be made in the House to-day, without calling on Lord Dundonald for one word in his defence. That is the position in which the matter presents itself. If the Minister of Agriculture and the Minister of Militia proposed to read these statements in the House to-day, would it not have been a fair thing for them in the first place to have either called on Lord Dundonald for an explanation of the remarks he made in Montreal, or to have submitted to him a statement of the facts as they understood them to be, and to have asked from him any defence which he might desire to make? I would have thought that the fair and courteous course, but it was not the course that evidently was intended.

I will say in conclusion that while I regard this as a very regrettable incident, it will not be without benefit to the country, if, in the future, it will lead to the withdrawal of partisan interference in the appointment of officers of the militia, whether that interference may come from the government now in power or may be sought to be applied by any government which may come into power in the future. We do not want political interference in military matters in Canada. The people pay a considerable amount for the military service of this country; they are willing to pay that amount for an efficient military service; but we do not want that service to deteriorate or become inefficient by reason of party politics entering into it in any way. We have had this afternoon a confession which indicates that party politics has been entering into it for some time past, on the part of the Minister of Agriculture at any rate. I trust that there will be an end to that, and that the Minister of Militia will see fit to confide solely to officers who are experienced and capable, the organization of such regiments as this without considering, at the instance of the Minister of Agriculture or any one else, whether the gentlemen sought to be appointed are Conservatives or Liberals in their political opinions.

Sir WILFRID LAURIER. The occasion of this debate Mr. Speaker, is the unfortunate—I shall not characterize it to-day by any other term—speech which was delivered some few days ago by Lord Dundonald at a banquet. After the explanations we have had from my hon. colleagues, the Minister of Agriculture (Mr. Fisher) and Militia (Sir Frederick Borden), and also on behalf of Lord Dundonald by my hon. friend from North Victoria (Mr. Sam. Hughes), I think it preferable at this moment not to push further a discussion of the consequences which may flow from Lord Dundonald's remarks. Not that I should have any hesitation in my own mind, or that there should be any hesitation in the mind of anybody, but it is preferable, in a matter of this gravity, that we should proceed with prudence and deliberation. Having said that much regarding the speech of Lord Dundonald, I may be permitted to say a word of his methods in organizing the militia, in so far as they are revealed by the incidents which have taken place in connection with the organization of the 13th Light Scottish Dragoons. Lord Dundonald is certainly—I am willing to give him every credit in that respect—endowed with good motives. No one who knows him can question that. He bears a very honourable name, as was said by the hon. member for Victoria (Mr. Hughes) a moment ago, a name made famous by his forebears in British history, and to the lustre of which he has added himself by his own services in South Africa and elsewhere. I have no desire in the slightest degree to reflect upon him as a soldier, but perhaps I may not be offensive if I say that it is not the first time that a good soldier may have lacked discretion. Lord Dundonald, in his position, is charged with the organization of the militia, but he must take counsel here when organizing a regiment. He is a foreigner—no—

Some hon. MEMBERS. No, no.

Sir WILFRID LAURIER. I had withdrawn the expression before hon. gentlemen interrupted. He is not a foreigner, but he is a stranger.

Some hon. MEMBERS. No.

Sir WILFRID LAURIER. Yes, he does not know the people of the eastern townships, where these light dragoons are to be enlisted. I doubt if he ever was in the town of Sweetsburg, or in the county of Brome, or the county of Missisquoi, or, if he has been in any of these places, it could only have been for a very short period, when passing through. It was advisable that a regiment should be recruited in those districts, but in what way? If this regiment of 13th Scottish Light Dragoons was to be organized and recruited from the counties of Brome and Missisquoi, how could Lord Dundonald possibly know personally who should officer it? How could he know what officers should be appointed? Perhaps he knew Col. Smart, but Col. Smart himself was from Montreal, and he had to go to the counties and get there his information from somebody. He had to get information from parties in and around Sweetsburg and the other towns in the counties of Missisquoi and Brome. Well, it is evident that Col. Smart happened to fall into the hands of certain parties who represented rather a small family compact. The list he made was composed almost exclusively of gentlemen connected with the Conservative party. My hon. friend said a moment ago that in militia matters there should be no politics, and in this I heartily agree, but it so happens that this regiment was to be officered almost exclusively by Conservative politicians. It is no harm to be a Conservative. It may be a mistake, but I do not count it a sin. But I submit to my hon. friends on the other side, is it not proper that whenever a regiment is organized in any part of the country, it should be officered as far as possible from both parties? I do not know how things are now, but once upon a time, when I was in the militia myself, there was a battalion organized, with which I was connected, and in organizng it, the man who was our colonel went and consulted everybody. He consulted men who could not take any part in the organization, but whose advice was valuable. But in the present instance, it so happens that there is a gentleman in the eastern townships who is connected with politics and holds a position of some respectability in that part of the country, I refer to my

hon. friend the Minister of Agriculture. Was his position to be considered a bar to his offering any advice? Was he to be precluded from expressing an opinion simply because he happened to be Minister of Agriculture? Had he not as much right to give advice in the matter as Col. Pickel and the others about Sherbrooke, or in the counties of Missisquoi and Brome, who happened to be consulted? Was my hon. friend, simply because he happened to be Minister of Agriculture, bound to say: it is all wrong, you have chosen none but Conservative politicians to be officers of the regiment, but I cannot say a word about it? If we are all in agreement on this principle that volunteer associations should not be political preserves, if we all agreed that politics should be kept out of them, I think that my hon. friend the Minister of Agriculture ought to be commended for having pointed out to the general that he was making a mistake in choosing nearly all his men of the one stripe and so few of the other? That is all my hon. friend did. He wrote to the General Officer Commanding that there were in that regiment too many of one stripe and not sufficient of the other. He went over to the militia office and had a conference with the Minister of Militia and Cols. Whitley and Smart. Together they discussed the personnel of the staff. My hon. friend made some representations, and it seems to me that the representations he made were in the best interests of the force and should have been accepted. As a matter of fact they were accepted at that conference, but unfortunately Lord Dundonald came to the conclusion that having signed a list of names recommended to him—a list probably of men about whom he knew nothing—that list was as sacred as the laws of the Medes and Persians and could not be interfered with—that even the Minister of Agriculture, acting for the Minister of Militia,—which is not denied by Lord Dundonald—could not have a word to say, but that the list had to be accepted simply because it was signed by Lord Dundonald.

Mr. R. L. BORDEN. My hon. friend is not doing Lord Dundonald justice?

Sir WILFRID LAURIER. In what way?

Mr. R. L. BORDEN. He never made any objection to the Minister of Militia acting or to any one acting for him. What he objected to was the Minister of Agriculture going to the officers who were organizing that regiment under him and interfering with them in the duties they were performing under his directions.

Sir WILFRID LAURIER. I beg my hon. friend's pardon. Here is the speech of Lord Dundonald. He said, would you believe it gentlemen, I sent an order to the cabinet and that order was interfered with. Here are his very words:

> A most flagrant instance of political interference has recently come before me in connection with the appointment of officers in the new eastern township cavalry regiment, the Scottish Light Dragoons.
>
> The commanding officers of the corp had been selected because of their apparent fitness from a military point of view. The names reached me and were sent to council and gentlemen, what do you think happened? The list having my approval——
>
> 'My approval'——
>
> —was returned with the name of one officer stricken out and initialled by the Minister of Agriculture.

And, in justice to the Minister of Agriculture it should be said that it was initialled by him acting for the Minister of Militia, as was well known by Lord Dundonald. Under these circumstances, I ask my hon. friend if I am doing any injustice to Lord Dundonald when I say that he wanted to have his recommendation to council, the last word to be said, and minister and council simply to bow and accept his recommendation?

Mr. R. L. BORDEN. I say, yes, because the Prime Minister has left out of account the letter from Lieut.-Col. Smart which was before Lord Dundonald before he made these remarks, in which Lieut.-Col. Smart said that the Minister of Agriculture had interfered with him on political grounds.

Sir WILFRID LAURIER. And at that very moment the Minister of Agriculture, who was acting for the Minister of Militia had the letter of Lieut.-Col. Smart begging him to leave off the name of Dr. Pickel. Sir, we are not accustomed—I give all credit to Lord Dundonald for good motives—but we are not accustomed to be dragooned in this country. Lord Dundonald, with all the respect I have for him, must learn that this is a responsible government and that when he sends a recommendation to council, it is the right—it is the right, I say notwithstanding what anybody may say to the contrary—of the minister in charge of the department, if he does not approve of the recommendation to strike out any name.

Mr. SAM. HUGHES. May I ask the right hon. Prime Minister a question?

Sir WILFRID LAURIER. Yes.

Mr. SAM. HUGHES. Will he or will the Minister of Agriculture or the Minister of Militia deny that this name was struck off while the Minister of Militia was present with the Minister of Agriculture, before the recommendation was sent to council. If he does, all I can say is that we can prove to the contrary.

Sir WILFRID LAURIER. What does that prove?

Mr. SAM. HUGHES. It proves that the Minister of Agriculture had interfered before.

Sir WILFRID LAURIER. It was corrected by the Minister of Agriculture, acting for the Minister of Militia and approved by the council.

Mr. SAM. HUGHES. Yes, but it was changed before that.

Sir WILFRID LAURIER. It was not changed before that time. I do not wish to pursue this discussion further. I merely wish to vindicate the course of my hon. friend (Mr. Fisher). Lord Dundonald, or whoever commands the militia in Canada will commit the greatest of mistakes if, when appointing officers to the militia in parts of the country of which he knows nothing, appointments concerning which he must take the recommendation of somebody, if he does not take advice not only from one side but from both sides of politics on these matters.

Mr. E. B. OSLER. I regret, as all must regret, the incident that has come before us to-day; but I regret still more the evident joy with which supporters of the government hailed it as giving them a chance to get rid of a man who has been so strong to resent the interference of politicians in appointments in the militia. There is no explanation wanted from any one as to the position the Minister of Agriculture (Mr. Fisher) took in this matter. He interfered for a political purpose, according to his own statement. If he cannot see that it was a political motive and nothing else that influenced his action, then he cannot see what every one else in the House can see. The Prime Minister made a statement that seems to me rather extraordinary. He stated, as a reason for the interference of the Minister of Agriculture, who happens to live in the district where the corps was being organized, that the General Officer Commanding, Lord Dundonald, did not know the people and did not know the country. If that is to be the ground for taking out of the hands of the General Officer Commanding the selection of those to fill these appointments, then it means that in every locality where the General Officer Commanding is not perfectly familiar with the people and the country the member of parliament who may represent that section is, for the time being, to be the Minister of Militia so far as that district is concerned. That is what the Prime Minister tells us in so many words. Surely that is a condition of affairs which could not be allowed, and I am sure the Prime Minister did not mean to convey the meaning that his words conveyed to me, and I think must have conveyed to everybody who listened to him. Any officer commanding the militia has a difficult position to fill. He ought, I think, to receive all the courtesy and all the help possible from his minister and from all the members of the government. I think, from the correspondence and from the admissions that the Minister of Agriculture has made, that Lord Dundonald was thoroughly right in being indignant at the way he was treated. I think that no man with knowledge of his profession and proper regard for his own dignity could do other than resent the treatment the Minister of Agriculture meted out to Lord Dundonald in connection with this matter. Evidently it is not the only case which has aroused this feeling on the part of Lord Dundonald. He came here as an eminent soldier and he has won the confidence, I believe, of every volunteer in the country—certainly of every one whose opinions I have heard expressed. He is looked up to with the greatest respect, and all have anticipated the very best results from the improvements he has made. I regret very, very sincerely that this incident has happened. I regret still more the manner in which it has been treated by the members on the other side of the House. They seem to have a feeling of delight that Lord Dundonald has got into a scrape and that they might be relieved from his continued occupancy of a position he has filled with such credit.

Mr. HENRI BOURASSA. I do not wish to prolong this debate which I think has gone a little too far. I must say I was rather surprised at the turn the debate took from the beginning. I did not expect that the Minister of Agriculture would be here to defend his case. To me the case was a simpler one than that—it was the case of an official of the government under the authority of the ministers of the Crown having made a public speech in which he had spoken in what may be called, mildly, rather uncalled for terms of one of the members of the government of which he is the servant. I think it is well that we should understand exactly the point at issue, not only before the House, but before the country. That point is whether the General Officer Commanding the militia of Canada is a servant of the government or not. If he is not a servant of the government, I quite accept the conclusion of hon. gentlemen opposite and say that he should not be interfered with by politicians. But, if it is acknowledged, as I always thought it was acknowledged, that he is a servant of the government, that he is appointed and paid by the government and therefore must report to the minister—who is responsible to the House—before stating anything to the country, then, I think the course of Lord Dundonald is absolutely indefensible. Instead of being the case of Lord Dundonald against Mr. Fisher it is simply the case of a servant of the government who has been speaking in public and saying things he should not say. Lord Dundonald has thought proper to choose the hon. member

for North Victoria (Mr. Hughes) to plead his case here to-day. If Lord Dundonald is a servant of the Crown, how can it for a moment be entertained that it is a proper thing for a servant of the government to ask an independent member of parliament, whether Liberal or Conservative, to plead his case against one of the ministers of the government of which he is a servant ? So I would now ask the hon. member for North Victoria (Mr. Hughes) who has constituted himself a warm defender of Lord Dundonald, whether he considers the General Officer Commanding the militia as a servant of the Crown just as any other deputy minister of the Crown is ?

Mr. SAM. HUGHES. I think if my hon. friend asks the Minister of Militia and the First Minister he will find that when the Minister of Militia and the First Minister and the whole outfit were crawling before the General Officer Commanding it was I who taught the people of this country that the General Officer Commanding is a servant of the people of this country.

Mr. BOURASSA. Then I think we have a judgment from the counsel, not of the prosecutor but of the accused. The hon. gentleman has been standing up here trying to justify the speech that was made by Lord Dundonald at Montreal, trying to justify the accusations brought by Lord Dundonald against the Minister of Agriculture, and now he is stating before the House that he knows and acknowledges that Lord Dundonald is a servant of the Crown. Suppose the Deputy Minister of Public Works should make a speech in Montreal and say : 'I want to have a wharf built at Montreal or Quebec, in a certain way, but the Minister of Militia interfered and knowing nothing of public works has forced me to change my plans. It is a danger for the future of public works in Canada that a minister of the Crown should interfere with the prerogatives of the Deputy Minister of Public Works.' What would the hon. member for North Victoria (Mr. Sam. Hughes), what would the hon. the leader of the opposition (Mr. R. L. Borden) say ? That is the whole question in a nutshell. I am not going to challenge the opinions of Lord Dundonald as far as military matters are concerned. I quite admit that he has a high reputation and no doubt he deserves it. But, it seems that Lord Dundonald and the other gentlemen who have been General Officers Commanding on coming to this country have never realized that they were servants of the government and that they were bound to make their suggestions to the Minister of Militia and through the Minister of Militia to the parliament of Canada. If a General Officer Commanding, Lord Dundonald, or General Hutton or any one else, thinks that the policy pursued by the Minister of Militia and the parliament of Canada is not a proper policy, then there is only one of two courses open to him, either to abandon his views or to tender his resignation; and then, when he is a free man, when he has left the service and has ceased to draw his salary from the public chest, he would be free to say what he thinks, to criticise the action of the Minister of Militia or of any member of the government, or to criticise the military policy of Canada. He would be then free to go back to England and to say that he could not get on owing to political interference, and that he had tendered his resignation. But so long as this General Officer Commanding is in the position of any other public servant, he is bound to be silent, bound to do what would be the duty of any officer in his position in any civilized country ; and I do not think that it is a well advised course on the part of the hon. member for North Victoria (Mr. Hughes) to come here and try to justify the action of Lord Dundonald.

Mr. SAM. HUGHES. Does my hon friend mean to say that Lord Dundonald would be more justified after ceasing to be General Officer Commanding in attacking the government for its acts than he would be while he was General Officer Commanding and could take the responsibility of his acts ? I presume Lord Dundonald asks no favours, I presume he knows his business, and is quite ready to abide by the consequence of his acts ?

Mr. BOURASSA. I think Lord Dundonald would be justified, once he handed in his resignation, in saying to the people of Canada, of Great Britain and of the empire, that the policy pursued by Canada in military matters is not a proper policy. Certainly when he is a free man, he is entitled to act as a free man; but I say he has not the right, being the deputy head of the militia of Canada, while in command of the militia having authority over the other soldiers, to give such an example of gross breach of discipline. It very ill became the hon. member to come here and take up the defence of Lord Dundonald as he has done to-day. Another General Officer Commanding thought that some officers, including the hon. member for North Victoria (Mr. Hughes) were not proper persons to give their views on military matters and wanted to lecture the hon. member for setting a bad example. Everything was then at issue according to the hon. member for North Victoria (Mr. Hughes). The Governor General had to act, the government had to act, the parliament of Canada had to act in order to show that the hon. member for North Victoria should be free from the attacks of the military head of the militia of Canada. I do not say that I disagreed with the hon. member for North Victoria. I never disagreed with him on that question. I think he was right in saying that General Hutton had not the right to attack him, a member

of parliament, and to say that Col. Hughes, member of parliament, should not speak in the parliament of Canada because he happened to be a colonel in the militia of Canada. If it was an improper thing for the General Officer Commanding to come in conflict with the liberty of a member of parliament who happens to be a member of the militia under the authority of the General Officer Commanding, what shall we say of the action of a General Officer Commanding who gives to the public opinions and criticisms of the man who is acting as responsible head of the department of which he is a servant? He criticised the action of his superior acting in his official capacity. Sir, I think it is sufficient to put the case in that light to show that whatever might be our opinions as far as Lord Dundonald personally is concerned, whatever might be our opinion even as to the policy of the government in military matters, it could not be suffered for five minutes that a public servant of the government of Canada, drawing pay from the people of Canada under the authority of the minister, should publicly criticise the gentleman who at the time was acting as minister of the department of which he is a servant. Therefore I think it should no longer be considered that this is the trial of the Minister of Agriculture. It is the trial of Lord Dundonald who has seen fit to bring before the parliament of Canada his case through the hon. member for North Victoria (Mr. Sam. Hughes).

Mr. INGRAM. I think that hon. gentlemen opposite have lost sight of the fact——

At six o'clock House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

CEDAR RAPIDS MANUFACTURING AND POWER COMPANY.

House in committee on Bill (No. 89) to incorporate the Cedar Rapids Manufacturing and Power Company.—Mr. Geoffrion.

Mr. FIELDING. The hon. gentleman (Mr. Geoffrion) who is in charge of this Bill is not here. Unless somebody else is desirous of promoting it perhaps we had better have the committee rise, report progress and ask leave to sit again. I am not objecting to the Bill, I have not had it before me at all, but when the hon. gentleman in charge of the Bill is absent perhaps we had better allow it to stand.

Progress reported.

HUDSON'S BAY AND NORTHWEST RAILWAYS COMPANY.

Mr. OLIVER moved :

That the amendment made by the Senate to Bill (No. 68) respecting the Hudson's Bay and Northwest Railways Company be read a second time, and agreed to.

Mr. HAGGART. What is the amendment ?

Mr. SPEAKER. The amendment seems to be an addition to clause 3, as follows :

Clause A.

The company may expend money in improving the water-ways of the Mackenzie river and of the Thelon river, and of any branches or tributaries of either of the said rivers, for the purpose of affording a continuous system of transportation in connection with the company's lines of railway ; provided that, before commencing any such expenditure or any work for that purpose in any of the said rivers or branches, the company shall submit plans of the work proposed to be undertaken, and obtain the approval of the Governor in Council thereto.

And then clause B :

Clause B.

Section 6 of chapter 70 of the statutes of 1899 is hereby amended by striking out the word 'Mackenzie', in the fifth line thereof, and substituting therefor the word 'Slave.'

Motion agreed to.

LORD DUNDONALD'S SPEECH.

House resumed consideration of the proposed motion of Mr. Sam. Hughes that the House do now adjourn.

Mr. HAUGHTON LENNOX. Mr. Speaker, refering to the matter debated this afternoon, I join with my hon. friend the leader of the opposition (Mr. R. L. Borden) in expressing the view that although the circumstance was regrettable from one point of view, yet, having regard to the fact that this will probably call public attention to the methods that have been prevailing in the past, in the end, it will be beneficial to the country. Leaving aside for the moment the fact that the hon. gentleman who occupies the responsible position of Minister of Militia and Defence (Sir Frederick Borden) has confined himself very much to an explanation of the position of affairs without taking any very strong ground in the discussion, we have a trio of gentlemen, namely, the right hon. First Minister (Sir Wilfrid Laurier), the hon. Minister of Agriculture (Mr. Fisher), and the hon. member for Labelle (Mr. Bourassa) attempting to justify this matter in all its different phases. I will devote myself for a moment or two to the most important of these gentlemen, and that is the right hon. the First Minister. The right hon. gentleman tells us that he quite agrees with the statements that have been made by more than one hon. gentleman who has spoken that this is a matter, probably above all other matters in connection with the government of Canada, which should be clear and free of party politics.

The manner in which my right hon. friend proceeds to show that this is his belief is certainly somewhat singular. He points out that it is usual when anything is occurring in a riding to consult important personages in the riding and he particularly points out that it is customary to consult the member. Therefore he asks: Is the hon. Minister of Agriculture debarred from being consulted because he is Minister of Agriculture? In reference to that I say 'no' if the position is for sale, and I say decidedly 'yes' if we are to have decent methods prevailing in Canada. If we are to have, as is almost admittedly the case in reference to almost every other department of the public service, the sale of the different positions for the purpose of bolstering up the government and of consulting the interests of local politicians rather than the interests of the country, whether it is a matter of a public work or of the appointment of a judge or whatever it may be, if that method is also to be carried out in regard to the important question of selecting fit and proper persons to be officers in the various departments of the militia service of Canada, then, I say: Yes, a fit and proper person is the hon. Minister of Agriculture because it was in his territory that this new branch of the service was being created. He more than any other would know the local conditions and know as a matter of political expediency whether it was or was not in the interest of the party that a certain person whose name had been proposed should be appointed or not. It is very happily expressed in an independent Ottawa paper, the 'Evening Journal' of to-day, which says:

> In this case especially, the district in which the regiment is raised, being the personal stamping ground of the Minister of Agriculture, a suspicion is not unreasonable until something more is known that the minister may be actuated by motives which have no connection with the militia service.

I submit to the House, that, having regard to the utterances of the hon. Minister of Agriculture this afternoon and the evident bias he displayed, instead of freeing himself from that imputation, he has stamped indelibly on the minds of the hon. gentlemen who have heard him a very broad and definite suspicion that there are influences at work in this country which are not in the interest of the militia service. The right hon. gentleman also says, and in this he just echoes practically the language of the hon. Minister of Agriculture, that the hon. Minister of Agriculture represented that there were too many Conservatives among the officers named. That is exactly where the difficulty lies. The hon. Minister of Agriculture this afternoon, as has been said by my hon. friend the leader of the opposition, in the very heated address he gave, establishes beyond all question that the fact is that it was a party necessity, aye and a party prejudice that actuated the minister in his determination to strike the name of Dr. Pickel from the list of officers presented by the commanding officer. It is not a question of too many soldiers, because, when it comes to sending our men out to the front to take the risk of losing their lives, of sacrificing their personal interests and of undergoing the hardships of warfare whether in South Africa or elsewhere, there is no discount upon Conservative soldiers. On any occasion we could not have too many of them. The proportion could not be too large and I am exceedingly proud of the fact that on every occasion the percentage of Conservatives was overpoweringly large when they marched upon the field of battle in defence of the country and in defence of the empire.

But when it comes to a matter of what might be regarded as positions of emolument or honour, there may be too large a proportion of Conservative officers. In this idea the Prime Minister and Minister of Agriculture seem to be at one. I believe that on reflection, the Prime Minister will find that the speech he made this afternoon was, to say the least, injudicious. He told us that the chief cause of this trouble was that there was too large a proportion of Conservatives in the list of officers. I never understood until now, that when it came to the question of whether a man should serve his King or not, the question of Conservative or Liberal was ever raised. It is a national disgrace to Canada that it should be raised now. I regret the incident in one respect, although in another respect it may be well that it has haappened, should it bring about a better state of things. I regret that the Prime Minister and his Minister of Agriculture should plunge us into national disgrace by their definite announcement, that in the future the question of politics will enter into the selection of officers for the militia of Canada. I do not believe that there is any other country under the British Flag in which a responsible minister of the Crown would dare to make such a declaration. The First Minister was excited this afternoon; he was in a fighting mood. He told us that he had been an officer once, although he did not indicate in what particular branch of the service, and I must say I never heard of the right hon. gentleman in that connection, although I do remember something about the banks of the Saskatchewan, but that has passed into ancient history. The right hon. gentleman told us, referring to Lord Dundonald, that he would not be dragooned by any foreigner into assuming any position. When there was a protest from this side of the House against calling Lord Dundonald a foreigner, the right hon. gentleman took back the word, as he found he had

said more than was perhaps desirable. It is said that in what is in sober comes out drunk, and the truth slips out sometimes when a man allows himself to become excited. The substitution of the word 'stranger' for the word 'foreigner' did not greatly better the case. At all events I think I speak the sentiments of the Conservatives of Canada when I say, that in the case of this valiant British officer who has seen service for the empire in other parts of the world, who has added additional lustre to the great name he bears, when such a man comes amongst us, the Conservatives of Canada do not regard him as a stranger. We receive him as one of ourselves, and as a valiant defender to that great empire to which we all belong. As to the details of the case we are discussing, the Prime Minister told us that the chief officer in command had no local knowledge of the situation. Well, is is evidently because of the local knowledge and the local prejudices of the Minister of Agriculture, that we have been led into this deplorable incident. It is bad enough to bring party politics into expenditure or public works but when it comes to introducing partyism into the question of who shall fight for the empire and for Canada, it is an unfortunate thing indeed. Let politics stop outside our volunteer force; for God's sake don't import party politics when it comes to selecting men to defend the country. I contend that Mr. Fisher, with his local knowledge, and his local prejudices, was above all the least qualified to recommend these officers for positions. The Minister of Agriculture told us that Dr. Pickel was a strong political opponent of his, and unfortunately in this case, as in the case of the Auditor General and others, the party who tried the case was the man who was interested in the prosecution. It may be an accident, but it is peculiarly significant that the Minister of Agriculture at this particular juncture was taking the place of the Minister of Militia. The Prime Minister told us that it was the right of the cabinet council to scratch off such names as might be objected to. I am not at all sure of that. I am not up in military law, but the hon. member for Victoria (Mr. Sam. Hughes) read authorities which lead us to a different conclusion. When it comes to the cabinet or to the minister scratching the names of officers off the list approved by the General Officer Commanding because they are a little off colour in their political persuasion, I have no hesitation in saying that it is about the worst thing that could happen in the interest of the country. The Minister of Agriculture may be a high authority in aesthetic culture, he may be able to tell us as to the shades of a rose; or as to something in the Oscar Wilde line, but when it comes to a question of robust soldiering, I venture to say that he is the last man to whom we would look for a correct judgement in that regard.

It must have been noticed by the House that the Minister of Agriculture got very angry this afternoon. There was enough to make him angry; but I am glad that it did not make him any more formidable. I have noticed that some large men, when they are angry seem to become more formidable. It rather dwarfed the Minister of Agriculture. We had providence intervening on our behalf, and he really did not look any more dangerous than on other occasions. Now, I have a complaint to make of the Minister of Agriculture, and that is, that while he complains of the hon. member for North Victoria for having brought forward this question, and objects to the medium of communication between Lord Dundonald and the House of Commons, yet he took the very unfair position, the position that reflects no credit upon him, of suppressing a portion of the truth and of refusing to give the whole truth to the House of Commons and through it to the people of Canada. When we reflect on what took place this afternoon—the repeated request of the hon. leader of the opposition that the document which was in the hands of the Minister of Militia should be given to the House; when we know that although it was spoken of as a copy it was practically a duplicate of what came into the hands of the hon. member for Victoria; and when we know what that document contained; it is a very serious reflection upon the government—yes, upon the right hon. gentleman who leads the House, because it was at his instigation that it was refused. It is only of a piece with what we have had on many occasions, that is, that whenever these hon. gentlemen find that by going half way with a story, they can give it a different colouring, they absolutely refuse to divulge the information which will convey to the people the truth and the whole truth in regard to the matter. But I say the House and the people owe a debt of gratitude to the hon. member for North Victoria—I was going to say the minister, and no doubt he will be a minister sooner or later—for bringing this matter before the House; otherwise we would not have had an adequate conception of what is the real truth of this case. The hon. member for Labelle (Mr. Bourassa) objects particularly to the fact that a servant of the Crown should make a disclosure. I want to say that the hon. member has not exactly a correct conception of this matter. The officer of whom we are speaking is not a servant of the Crown so much as he is a servant of parliament and a distinguished servant of Canada for the time being; and it is all-important, when issues arise between the administration and this officer, that the people should know exactly what is taking place between them. It is a case of concealment—a case of the government un-

fairly suppressing a portion of the facts. It is a case of the government having announced that they would deal with this matter to-day unfairly and dishonestly, retaining a portion of the facts, and refusing to give them to the House, it is a case of the hon. member for North Victoria coming to the rescue, and through the agency of the distinguished officer who has communicated the information, giving that information to the House and the country. I am glad indeed that we have by this means the opportunity of ascertaining what the exact facts are. Well, we have this trio—the First Minister, the Minister of Agriculture and the hon. member for Labelle—all uniting in a certain conclusion of the whole matter. The personal organ of the Minister of Agriculture has already dismissed the commanding officer. It points out that he must retire, that there is no alternative ; and the vicious, excited way in which the Minister of Agriculture spoke this afternoon leaves no question on our mind that so far as he is concerned he is determined that this official, who has forsooth had the temerity of opposing what he describes as a Minister of the Crown, meaning himself, shall certainly get his walking papers and be sent home. Whether that is the case or not—and I suspect that Lord Dundonald is not very particular in that regard—it has come to this, that the Chief Officer Commanding the militia of Canada cannot have a voice on a matter upon which he has formed an opinion, and upon which he alone, as distinguished from the Minister of Agriculture, is entitled to have an opinion. Whether this incident will result in Lord Dundonald retiring from connection with the militia of Canada or not, it will perhaps be a salutary lesson to gentlemen such as the Minister of Agriculture, that there is a limit beyond which they cannot swell themselves, and that they must remember that they cannot set the bounds entirely in regard to the selection of officers for the militia service. I am glad, therefore, that this matter has come up. We have a number of cases at the present time involving the issue as to whether certain officials or certain members of the cabinet shall have complete sway as against the best interests of the people. There is a united desire on the part of the three gentlemen whom I have named to get rid of this officer, just as there is a manifest desire to get rid of the Auditor General. But in both of these cases the people will be heard from, and we shall see whether the hon. gentlemen will not be obliged to withdraw from the exalted position they assume.

Mr. W. B. NORTHRUP. Mr. Speaker, I would not occupy the time of the House, even for the few moments that I intend to speak on this subject, were it not that I feel that it is one of the utmost importance to this country. We are to-day writing a page of Canadian history which a few years hence when hon. gentlemen opposite may be on your left, and the hon. gentleman at your left may be on your right, they and this country may all wish had never been written. I hope it will not be thought presumptuous on my part if I venture to call the attention of the House to the fact that this afternoon, not only the Minister of Militia and the Minister of Agriculture, but even the right hon. gentleman who leads the House, appeared wholly to misconceive the question before us.

On listening to these hon. gentlemen, one would think that it is Lord Dundonald who is on trial before this House. But it must be evident to everybody who has followed the debate, that although the chief defendant has absented himself from court, and although his co-defendant fled even before him, still it is really the Minister of Agriculture and the Minister of Militia who are on trial here to-day. And when we consider the circumstances which have come to light, surely we are not to be blamed if we cannot help coming to the conclusion that the gentleman who is in command of His Majesty's forces in this country was not treated with proper respect by these ministers of the Crown. It would be difficult to come to any other conclusion even if we were to judge them solely by the contempt they show for this House in absenting themselves from this debate to-night. This afternoon again and again we heard it said—and I was sorry to hear the language used—that Lord Dundonald was a servant of the minister and a servant of the government. Surely no one seriously would contend that a gentleman in command of His Majesty's forces in Canada is a servant of either the Minister of Militia or the government. I would rather say that he is in the same position which the ministers themselves occupy—that he is peculiarly a servant of the people. And, Sir, it is a proud position to be a servant of the people. And if we admit that they are all servants of the people, then we, the representatives of the people, surely have something to say regarding the way in which they behave themselves ; and while I would be sorry to use any term which might be objectionable, I am more warranted in finding fault with the Ministers of Militia and Agriculture for their absence from the House, when their conduct is being discussed, than they were in their strictures upon General Lord Dundonald. In dealing with matters of which we can only know by hearsay, we may perhaps arrive at some accurate opinion if we view them in the light to be derived from the facts as they have been disclosed to-day. What are these facts ? A speech was made a week ago by Lord Dundonald in Montreal. Whether that speech was wisely made or not, it is not for me to say, but it was made, and I presume no one doubts that Lord Dundonald may be called on by the Minis-

ter of Militia to answer for any speech he may make. But the Minister of Militia undertook to controvert that speech. He undertook to answer it in this House, and the Minister of Agriculture himself appeared before this House as witness to contradict the charge made by Lord Dundonald. What was that charge ? It was distinctly that the efficiency of our Canadian militia was being impaired by political intrigue and party influence, and with that charge Lord Dundonald associated directly the name of the Minister of Agriculture. All those who were present this afternoon heard the statement made by the hon. Minister of Agriculture in reply to that charge. The hon. gentleman did not speak impromptu or in excitement or without consideration, but he read a carefully prepared statement, purporting to give an exact account of what took place. And surely we have the right to expect from a member of this House, and particularly from a minister of the Crown, the truth, the whole truth and nothing but the truth. After the hon. gentleman had read his statement he was followed by his colleague the Minister of Militia (Sir Frederick Borden), who very minutely confirmed and corroborated every statement made by the Minister of Agriculture. And I must say—as I said at the moment to an hon. gentleman opposite who happened to be sitting beside me—that if the statement of the Minister of Agriculture were true, if he stated the whole truth, then he had made out a good answer to the charge of Lord Dundonald. Hon. members of this House must have come to the same conclusion, namely, that the charge of Lord Dundonald was ill-founded, and had the case rested there and gone to the country in that position, no doubt that would be the general verdict of the people. No doubt the general verdict would be that the Minister of Agriculture had not interfered politically, that he had merely, happening to act in the absence of the Minister of Militia, formally signed a document for the Minister of Militia, and only signed it because Dr. Pickel had declined to act and had requested Col. Smart to withdraw his name. But we had additional light shed on the matter. A little later my hon. friend from North Victoria (Mr. Sam. Hughes) read to this House a statement of Lord Dundonald, and the effect of that statement was such that the Minister of Agriculture felt compelled to rise to his feet and expressly and explicitly declare that he did interfere and that his interference was due to the fact that there were too many Conservatives in the appointments. The English language would fail to enable any man to speak more definitely and clearly than the hon. Minister of Agriculture did when he said that he had struck certain names off the list of officers for political reasons. What are we to think of the Minister of Agriculture and of the government and of the right hon. the First Minister himself ? Perhaps the absence of the right hon. gentleman to-night is due to his dread that his colleague, the Minister of Agriculture, might make another similar break this evening to that which he made this afternoon. We find the Minister of Agriculture himself, when driven into a corner by my hon. friend from North Victoria, expressly admitting that political influences had actuated him in striking certain names off the list, what are we to say as to the truth of the charge made by Lord Dundonald. I am not here to defend Lord Dundonald, but simply, as a representative of the people, to inquire whether the charge made by him is true. It is rather singular that hon. gentlemen opposite, even down to the Minister of Agriculture, will disclaim the propriety of introducing politics into militia matters. Sir, every man in this country, whatever may be his politics or profession or occupation, will admit, speaking in the abstract, that nothing could be more ruinous to our militia system than the introduction into it of politics. Yet we find the hon. minister, though admitting that such a doctrine is founded on truth, most reluctantly compelled to admit that he has introduced the system of political warfare even into our militia organization. After having seen and heard the Minister of Agriculture this afternoon and after having had the facts complained of by Lord Dundonald disclosed to us, we can quite understand that the unfortunate head of the forces in this country may have been goaded almost into desperation by the pin-pricks of the man who made such an exhibition as was made by the Minister of Agriculture this afternoon, and determined to put an end no matter at what cost, to that hon. gentleman's interference. It seems to me that the members of the government might well pause to consider the effect which such an exhibition as we have witnessed is calculated to have on Canadian credit and reputation in the motherland. We are a great country and are bound to become greater, but we cannot afford to be regardless of the reputation we are building in the motherland and in other countries as well ; and I venture to say that there is not a minister on the treasury benches, nor is there one of their supporters who, speaking privately, would deny that such an episode as this is calculated to injuriously affect the credit and reputation of our country and tarnish the honour of Canadians in the motherland and all over the world. Far be it from me to suggest what might be done, but this is a case in which the members of the cabinet might well lay aside party prejudice. I have nothing to say regarding the propriety or impropriety of Lord Dundonald's remarks, except that the provocation may have been such as would influence any jury to decide that it justified him in taking what he believed to be the proper course in the interests of the militia and the defence of the empire, even if he personally had to fall in consequence of the stand he took. I can quite understand

—and I am speaking without personal knowledge of Lord Dundonald, whom I have never seen—I can quite understand from Lord Dundonald's history in the past, that a man who has fought for his Queen on so many hard fought fields, should have deliberately risen in Montreal, knowing he was about to put a check to all possibilty of a future military career for himself in this country, and called attention—as he deemed it his duty to call attention, no matter at what personal cost—to what he considered a vicious system in the hope that by so doing he might have that vicious system suppressed.

That, Sir, I should think, from what we know of the man, was very likely, the feeling that actuated him. And, I venture to suggest that, if the government would lay aside political prejudices, if they would rise to the occasion, if they would be as large minded as Lord Dundonald was, supposing him to have been actuated by the sentiments I have indicated, they might well say: There was a wrong on your side, but, perhaps there was a wrong on our side: If you did speak, you had provocation. And it must be admitted that he had provocation because the hon. ministers themselves have said that politics should not be allowed to interfere in militia matters and they were allowed to interfere in this case. If the government would take that position, how much better it would be for our country, how much it would redound to the honour of hon. gentlemen opposite themselves? I do not speak as a party man; as a party man I would rather they should dismiss Lord Dundonald, dismiss him with all the ignominy and odium they could heap upon him, because, I am thoroughly convinced the people would resent such an action on their part. But, as a Canadian, as one who wishes to see our militia force made as efficient as possible, I desire that the best officers that we can get from England should be secured for our service; and, every time a general comes out here and finds things made difficult and unpleasant for him, it will be all the harder for us to get good men to come and take command of our militia. As a Canadian, therefore, I would beg the government to see whether it may not be possible, through the mutual concessions I suggest, to cause this unfortunate incident to be forgotten and to arrange that we may retain the valuable services of Lord Dundonald. The one and only argument that we have heard in justification of the Minister of Agriculture is that he was, in this case the Minister of Militia. The question is asked over and over again why the General Officer Commanding should not yield to the decision of his chief. But what right has the Minister of Militia to abdicate his functions, and to hand over to the Minister of Agriculture the power to declare who shall and who shall not serve His Majesty in the forces of Canada? Under the system of responsible government, to which the Prime Minister (Sir Wilfrid Laurier) referred, what right has a gallant knight, decorated by His Majesty, who cannot descend to certain acts in his department, to step aside and allow a humble colleague to do what he would scorn to do? The result of it is that we are liable to lose the services of a most valuable and efficient officer. I trust that the government will consider whether it would not be in the interest of the force in Canada to abstain from political interference with that force, and also retain the services of Lord Dundonald. If they do so, I am quite sure that, from one end of the country to the other they will receive more credit than they can possibly gain by persisting in the course outlined by some of the hon. gentlemen who spoke on that side this afternoon.

Mr. F. D. MONK. It is very satisfactory to see that defenders of Lord Dundonald have not been wanting during the debate which has taken place this afternoon. It would have heen a pity indeed if a man occupying such a position as he occupied, with such a career as he has had, and with such services to his credit since he has been in Canada, should have had his case passed over with the mere personal explanation with which it was intended that it should be smothered this afternoon. I think it is a great pity that my hon. friend the Minister of Agriculture (Mr. Fisher) should be absent from the House at a time when a discussion of this importance is taking place. For, in reality, under the motion that has been made by my hon. friend from Victoria (Mr. Sam. Hughes) it is not the case of Lord Dundonald which we are discussing here, but it is the case of the Minister of Agriculture himself, who stands impugned, accused, before this House, of violating the most elementary principle of our Militia Law which requires that there shall be no political interference with the organization of our militia forces. Let me speak for the province of Quebec and from very reliable information which I have received. I am happy to say that, uniformly throughout that province, it has been recognized that, since his arrival in this country the General Officer Commanding, with a great deal of tact, a great deal of energy and a deep knowledge of the affairs he has been called upon to administer, has greatly improved the militia administration in the province of Quebec. He has improved the army service; he has improved the Intelligence Department. He has many things in common with the French Canadians of my province; he speaks their language fluently; and from military men of that race in my province, I have heard it uniformly said that the

relations existing between him and them have been generally satisfactory. Now, I do not wish to repeat what has already been said, but it seems to me that my right hon. friend the Prime Minister has lost sight of an important aspect of the affair which should be stated. The ministers of the Crown occupy a dual position. As ministers, they themselves, are servants of the Crown. They are named by the Crown and their duties are defined by the statute—

Mr. ARMAND LAVERGNE. They are responsible to the people.

Mr. MONK. Not as ministers ;—as ministers they are responsible to nobody but the Crown. They are responsible to us as privy councillors, that is as constitutional advisers of the Crown. And it is just as illegal for the Minister of Agriculture to interfere with the administration of any of the departments of state except his own as it would be for me to interfere with the Department of Agriculture or any other. Of course that is a distinction that is recognized by all the authors who have written on constitutional law. It is a virtue of the custom of parliament that the constitutional advisers of the Crown happen at the same time to be ministers in charge of departments. It has not always been so. Less than a hundred years ago it was not so in England. But from the very fact of the introduction of constitutional government in England and of its subsequent introduction in this country, the custom has taken root which requires that those who, as advisers of the Crown are responsible to parliament, should be those called upon by the Crown to take charge of the different departments of the state. I mention this fact because there seems to have been an impression, from some of the observations made this afternoon that it was quite legal and regular and constitutional for the minister in charge of one of the departments of state to go over into another department and order this or that to be done. And my hon. friend the Minister of Agriculture himself, when he admitted to-day in his subsequent exp'anation—changing completely the facts of his first personal explanation —he seemed to think it was not only his right but his duty, long before the departure of the Minister of Militia, to interfere with the constitution of this regiment and to see to it that it should be organized upon a proper basis, and the theory which my hon. friend the Prime Minister advocated when he spoke this afternoon was that, as a minister of the Crown, having charge of the Department of Agriculture, and with duties strictly circumscribed by laws passed by parliament, the Minister of Agriculture still had the right, when the organization of this regiment was decided upon, to go to the Department of Militia, to have conferences with the officers charged with the organization of that regiment and to interfere, to, in fact, take an important part himself in the organization of that regiment. I submit that by so doing the Minister of Agriculture (Mr. Fisher) was clearly going beyond the limits placed upon his authority by parliament itself. This is a point of some importance, and I give a few words in explanation of it, because the hon. member for Labelle (Mr. Bourassa), who is a great deal fairer, I know, than he desires to appear to be, seems to have ignored that fact. If the House will take the trouble to refer to the statute creating the department of my hon. friend the Minister of Agriculture and defining its limits, it will be found that parliament has strictly circumscribed the subjects upon which he can exercise jurisdiction. In section 2 of chapter 24 of the Revised Statutes of Canada, section 4, I find the following :

> The following subjects shall be under the control and direction of the Minister of Agriculture, that is to say, agriculture, immigration and emigration, public health and quarantine, the marine and immigrant hospital at Quebec, arts and manufactures, census, statistics and the registration of statistics, patents of invention, copyright, industrial designs and trade marks, experimental farm stations.

Beyond that my hon. friend the Minister of Agriculture has no right of interference whatever. His authority is strictly circumscribed by parliament, and he has no more right to interfere with the Department of Militia, or with the organization of a regiment, than any other private citizen. Otherwise, if we were to adopt the theory of the right hon. gentleman, we would find that in reality every member of this House, conversant with the localities where regiments were to be organized, would have a right, as members of this House, to interfere and to control the organization of such regiments ; and what would that be but political interference and the introduction of politics into our military organization, a condition of affairs entirely undesirable in this country ?

Now, let us for a moment leave the Department of Agriculture, and turn to the organization of the Department of Militia. I shall quote one or two sections in regard to this department, in order to show with what care parliament has determined and defined the duties of the Minister of Militia and the duties of the Officer Commanding, whose conduct has been, to a certain extent, under discussion this afternoon. The Department of Militia is organized under chapter 41, Revised Statutes of Canada, and by section 4 of that statute it is enacted as follows :

> There shall be a Minister of Militia and Defence who shall be charged with and be responsible for the administration of militia affairs, including all matters involving ex-

penditure and of the fortifications, gun boats, ordnance, ammunition, arms, armouries, stores, munitions and habiliments of war belonging to Canada.

2. The Minister of Militia and Defence shall have the initiative in all matters involving the expenditure of money.

3. The Governor in Council shall, from time to time, make such orders as are necessary respecting the duties to be performed by the Minister of Militia and Defence.

Now, how are defined and how has parliament expressed itself in regard to the important functions of the General Officer Commanding? We find that definition at section 37 of chapter 41, Revised Statutes of Canada:

There shall be appointed an officer who holds the rank of colonel or rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia, and shall be paid at the rate of four thousand dollars per annum in full of all pay and allowances.

Under the regulations provided for in this section it is stated of the General Officer:

He is the principal adviser of the Minister of Militia and Defence on all military questions; is charged with the general supervision of the military branch of the department; issues general orders, and holds periodical inspections of the militia.

He is charged with the distribution, quartering and localization of the militia; with the preparation and maintenance of detailed plans for mobilization; with the preparation of schemes for offensive and defensive operations; and with the collection and compilation of military information.

He recommends to the Minister of Militia and Defence fit and proper persons for appointment to commissions in the militia; and proposes fit and proper officers for promotion, for staff and other military appointments and for military honours and rewards.

It is sufficient to read chapter 41, creating and organizing the Militia Department, and the regulations governing the duties of the Minister of Militia and the General Officer Commanding to see that the will of parliament was that in the organization of regiments the approval of the nominations of all officers and of all promotions should be carefully guarded by the General Officer Commanding. Had this discussion been left this afternoon with the general statement, the personal explanation of the Minister of Agriculture, what would have been the impression left upon the House and on the country? It would have been that the Minister of Agriculture at the instance of the Minister of Militia, absent for a short time, had merely performed a purely ministerial service to his colleague in initialling for him the list of these nominations. And what would have been the position before this House, before parliament, to whom all these men are ultimately responsible, and before the country, of the General Officer Commanding? It would have been that the statement made by him at a dinner given to him by his brother officers in regard to that most important branch of the administration of the state was a statement not founded on fact. It seems to me if the General Officer Commanding was aware that that was the turn which the proceedings in this House were going to take this afternoon, he should have put simultaneously into the hands of his superior, the Minister of Militia, and of my hon. friend (Mr. Sam. Hughes) a man of military experience and with a military career, the memorandum which he did put in their hands, a memorandum which throws a very different complexion on the whole subject. Is there or is there not truth in the statement, uncontradicted, but rather confirmed, by the Minister of Agriculture, that the organization of this regiment was determined upon early in the winter, in the month of February last; that its organization was approved by the government and handed over to the officers who legally had charge of that organization? Is it a fact that from the very inception the Minister of Agriculture interfered with that organization, blocked it and, for political purposes, as he admits this afternoon, endeavoured to organize the regiment himself and to obtain the nomination of the principal officers of that regiment?

It is impossible to refer to that very frank statement made by the colonel in command of the regiment to Lord Dundonald without being extremely surprised at the state of affairs revealed. Is it a fact that Dr. Pickel, whose nomination is here in question, was objected to for on other reason than that he was a strong political opponent of the hon. Minister of Agriculture? Is it a fact that the hon. Minister of Agriculture was determined to block the whole organization unless Dr. Pickel's name was withdrawn? That has not been categorically contradicted by the hon. Minister of Agriculture and uncontradicted it gives us a clear explanation from the hon. gentleman of the reason that actuated Dr. Pickel, who, seeing that the regiment could not be organized unless he withdrew, which withdrawal was due to the unwarranted personal interference of the Minister of Agriculture authorized his name to be withdrawn. Is it a fact that the hon. Minister of Agriculture instead of confining his observations and remarks to the efficiency of the new regiment gave himself the trouble to look up the pedigrees and assure himself of the political affinities of the gentlemen whose names had been submitted to the hon. the Minister of Militia? In face of these facts and the other facts stated in the letter evidently written by the colonel in defence of the position taken by the General Officer Commanding is it not a fair question for parliament and the mem-

bers of parliament to inquire if we are going to again this year vote a sum, as we are asked to vote, of over $2,000,000 for the organization of the militia which cannot be an effective militia, if, when regiments are organized, the only question inquired into is as to the political tendencies of the officers appointed ? I yield to no one in vindication of the rights and authority of this parliament. Nobody, as far as I have seen this afternoon, has called in question the right of the government to control the Department of Militia and Defence as it controls every other department, but I say this that I for one on behalf of my constituents will oppose any increase in the expenditure for militia purposes if we are going to have in the organization of our regiments such interference as has been admitted this afternoon by the hon. Minister of Agriculture. This is surely not a question of political division. I do not consider it is such. I am prepared as I am sure all other members of this parliament are prepared to vote the necessary sums to place the defence of this country upon such a basis as will allow us to hold up our heads firmly and defend our country against any invader. But, at the same time, if we are to find in the constitution of any government men as unpatriotic, as unfair to the faithful servants of the Department of Militia and Defence, as the General Officer Commanding, it seems to me, has shown himself to be on this occasion, I say that we will be entitled to scrutinize with great care the expenditure which is foreshadowed to us in the estimates brought down to parliament this year.

As to the fact that the General Officer Commanding saw fit to make that statement which he did make at a dinner given to him by these officers, who, after all, may be called upon at any moment to stand the brunt of the fighting and to see to it that the forces which they organize are effective, it may be that he might have adopted some other form of communication, but if the provocation to which, since the month of February, the interference of the hon. Minister of Agriculture has subjected him to had been imposed upon myself I venture to say that I would have taken the first opportunity of freeing myself and my co-workers from the interference of a man who had nothing whatever, as minister to another department, to do with the administration of the Department of Militia and Defence.

Hon. JOHN HAGGART. Mr. Speaker, a few words in reference to the episode which has been engaging the attention of the House for the last three or four hours. Let us look at the facts briefly in reference to it. A gentleman was appointed commander in chief of the militia of Canada under an Act of parliament which requires that an imperial officer of at least the rank of colonel shall be appointed who is responsible not only to the people of this country but responsible to a certain extent as an imperial officer to the imperial authorities. At the dinner which was given to him in Montreal he complained of political interference on the part of one of the ministers in reference to some appointments made in connection with the officers of some of the battalions. Whether he was right or wrong, as my hon. friend from East Hastings (Mr. Northrup) and my hon. friend from Jacques Cartier (Mr. Monk) have stated, it matters very little. If he has been wrong it is for the hon. Minister of Militia and Defence (Sir Frederick Borden) to discipline him. The real question before the House and which is one of serious moment to the people of this country is whether political interference shall be permitted in militia matters. Before I pass from the first part of this question, I wish to say that I am not of the opinion that the Commander-in-Chief of the militia force of Canada was not fully justified in the action he took. Let us consider the circumstances. He sends an Order in Council to his minister. The Order in Council is cancelled and some of the names submitted by the Commander-in-Chief, who, I suppose acted upon the report of the officers of his department, are approved of. The general states in his memorandum which he sent to Colonel Hughes that he was informed that this Order in Council which he presented for the approval of council was acceptable to the government. Let us be particular as to his words.

A day or two after the first list was cancelled a further list was submitted to me by the adjutant general which, I was informed, would be acceptable and that the organization of the corps would be permitted to proceed.

Mr. CLARKE. Who said that ?

Mr. HAGGART. The Commander-in-Chief, Lord Dundonald, said that. Having that assurance he prepares the Order in Council. To his astonishment he gets it returned to him with a portion of it approved of, but with one person's name struck out at the suggestion of the Minister of Agriculture. That is the position that Lord Dundonald, the Commander-in-Chief, was placed in. He submits gracefully to the cancellation of the Order in Council. He prepares another Order in Council submitted by the adjutant-general, and he is informed that it will be acceptable. It is returned to him with the name of one of the officers whom he recommended stricken out. What greater insult to the Commander-in-Chief, or to the adjutant-general. Had the minister in charge of the department asked the Commanding Officer to strike out the name before it was presented, or had he been asked to withhold the recommendation to council, I have no doubt he would have done it. But would any gentleman submit to the treatment measured out to Lord Dundonald in this respect ? The returning of the list with the

initials of the Minister of Agriculture objecting to the appointment of the officer recommended, was an insult to the Commander-in-Chief, that no English gentleman would have submitted to. As to whether Lord Dundonald is an official or an employee of the government it matters not. He is the Commander-in-Chief of the militia, loaned us by the imperial authorities, and he derives his authority under statute. Did you listen to the ingenious statement of the Minister of Agriculture this afternoon? He gave us to understand that Dr. Pickel's name was stricken off at the suggestion of the colonel of the regiment, and with the consent of Dr. Pickel himself. But, when Col. Smart's letter was read, it completely set that statement of the Minister of Agriculture at rest.

Sir FREDERICK BORDEN. The Minister of Agriculture read a letter dated May 19th from Col. Smart, informing him that Dr. Pickel had requested to be relieved entirely of any connection with the regiment.

Mr. HAGGART. Ah, yes; but Col. Smart's letter explains that, and puts a different face on it. Col. Smart came here to get his officers gazetted, and he found that the minister refused to gazette with the name of Dr. Pickel included. Col. Smart then went to Dr. Pickel and Dr. Pickel, who is a gentleman, said: Rather than see no regiment in this county, I will withdraw my right to be an officer. I am sorry the Minister of Agriculture is not in his place this evening, because I want to say that he stated at a caucus down in the eastern townships, that no Pickel would be appointed to any position in the regiment. I am sorry the Minister of Agriculture is not here, because I want to have his statement as to whether that is true or not. It is published in the public press this afternoon. The Minister of Agriculture stated further: that the appointment of officers in this regiment were to be in his own hands. Is that true or not? It must be true, because the statement of the Commander-in-Chief is corroborated to the fullest extent by the statement of the Minister of Agriculture this afternoon. He told us that he did not interfere with the appointments to that regiment, but he also said that the 53rd regiment was virtually a Conservative regiment, and he was bound to see that the officers of the new regiment of dragoons should not have the Conservative tendencies of the officers of the 53rd. He told us that Dr. Pickel was an active political partisan, and that the officers were evidently recommended by Senator Baker, the Conservative organizer in that section, because Senator Baker's son was one, his son-in-law another, and a man who was married to his niece, another. Then, the Minister of Agriculture told us that he was bound to see that the new regiment would not have the political tendencies of the 53rd.

Mr. FISHER. May I interrupt the hon. gentleman to ask, whether it is true that he stated a few moments ago, that I had said in the eastern townships that no Pickel would be made an officer?

Mr. HAGGART. I stated that I read it in the papers.

Mr. FISHER. I beg the hon. gentleman's pardon; I thought he stated it for himself.

Mr. HAGGART. I will read the article which is taken from the Montreal 'Star.'

Mr. FISHER. If it is taken from the 'Star,' I can understand it.

Mr. HAGGART. It is dated Knowlton—I don't know where that is.

Mr. FISHER. I am sorry for you.

Mr. HAGGART. Here is the article to which I refer:

Knowlton, June 10.—The disclosure made by Lord Dundonald in his recent speech at the banquet tendered to him in Montreal did not come with such surprise to the people of this section of the country as it did to those of other parts of Canada.

It had been known and generally discussed throughout this district that the Hon. Sydney Fisher held a caucus at Cowansville several weeks ago with some of his political supporters, at which he told them that the commissions in the 13th Scottish Light Dragoons were at his disposal, and that he had under consideration the naming of the officers.

It has been reported too, by Mr. Fisher's friends that he had assured them that the recommendation of Dr. Pickel as major and of Mr. T. R. Pickel as captain in 'E' squadron of the regiment, would not be sanctioned, and that nobody of the name of Pickel would receive a commission.

Mr. FISHER. I have only to say, Mr. Speaker, that that statement is a tissue of falsehoods from beginning to end.

Mr. HAGGART. I made the statement on the authority of this paper, and it has received corroboration by the statements made by the hon. gentleman here this afternoon. He told us that he opposed the appointment of Dr. Pickel, and that of five or six other officers, because he was bound to see that the Scottish Dragoon regiment would not have the political complexion of the 53rd battalion.

Mr. FISHER. Hear, hear.

Mr. HAGGART. And now he says, 'hear, hear.'

Mr. FISHER. That it would not be the same old Tory organization that the old regiments were.

Mr. HAGGART. Very well, then. The colonel of the regiment selected the officers, and together with the District Officer Com-

manding, he recommended the officers to the General Officer Commanding. These were the men who ought know what officers to select, but the Minister of Agriculture, the political representative of that section of the county steps in and declared that these officers would have to receive his imprimatur.

Mr. FOWLER. His incubator.

Mr. HAGGART. Is that the way our militia is to be treated? Does the Minister of Agriculture expect that an English gentleman. an officer of the imperial service will submit to that? There may be a question of precedence between the General Officer Commanding and the Minister of Agriculture, and it may be extremely impolite for the General Officer Commanding to consult by telephone with the Minister of Agriculture. He states that it is a matter of necessity that time is necessary. The general makes an appointment with the hon. gentleman. The hon. gentleman does not keep it. He telephones again to the hon. gentleman. The hon. gentleman—oh, the idea of discussing any matters of such importance with him over the telephone. He says he is a cabinet minister and the general knows where his office is; if the general wishes to consult him, or to have any conversation with him in reference to the matter, let him call at his office and see him. It is a question of who is the superior, the officer commanding the militia of Canada or the cabinet minister. You will notice that the statement of the minister differs from that of the general in that particular. The general says that on two occasions he made an appointment with the minister, and the minister failed to keep his appointment. The minister in his statement says he told the general: 'I have an office up town, you know where my office is, I am a cabinet minister, and you can come up and call on me.' That is a question of veracity between the two gentlemen. But the question before us is this: was there any political interference with the general in his appointments? Can it be denied that there was, after the statement of the Minister of Agriculture to-day? He gave the whole case away. He admitted it by attempting to justify himself. In fact, the right hon. gentleman who leads the government attempted to a certain extent to justify it. He asked if it was not the duty of the General Officer Commanding to consult the two parties in reference to who should be appointed as officers of this regiment, and he thinks that the general acted indiscreetly in not doing so. Is the General Officer Commanding to be influenced in his appointments by political considerations at all? No. He took the right course. The colonel who was to raise the regiment recommended the officers; the general submitted the list to the officer commanding the district; and the Minister of Militia, acting on that information, and without any political information at all, recommended it to council. If we are to have an efficient commander-in-chief, he must be a man of honour who has respect for his own reputation. Will any man of honour, a British officer, submit to the indignities to which the General Officer Commanding has been obliged to submit, and retain his position? In reference to the charge that he communicated his objections to Colonel Hughes instead of to the Minister of Militia, what position was he in? He saw in the papers that this question was to be debated in the House to-day. The communication that was sent to him by the Minister of Militia was simply the question whether the report published in a certain paper was correct or not. He answers that. He was not consulted at all in reference to the case that the Minister of Militia or the Minister of Agriculture would make. There was nothing left to him but to get some friend of his, a brother officer, to state his case before the House to-day; and, as a man of honour, he sent to the Minister of Militia a duplicate of the statement which he had sent to his officer friend in the House. The question, then, for the people of the country to consider is not so much whether it is a breach of discipline on the part of the commander-in-chief. If it is a breach of discipline let him suffer for it. But I say there has been no breach of discipline in his case. He has cut the painter; he has been insulted long enough; his advice has not been taken; and there was no other course for him as a gentleman to take. But the question for the people of the country to consider is this, whether there has been any political interference with a department which, in every government, must be considered above and beyond party politics, if we are to have an efficient force to defend the country. But who can doubt that there has been political interference in this instance, after the statement of the Minister of Agriculture in this House to-day?

Mr. E. F. CLARKE. Mr. Speaker, before the motion is put, I wish to say half dozen words in reference to this matter. And first of all let me reiterate what my hon. friend on my left has so forcibly said, that every hon. member who has called in question the action of the Minister of Agriculture and who has defended the action of Lord Dundonald is just as jealous of the prerogatives of this parliament and of the rights of ministers of the Crown as any hon. gentleman who has attempted to defend the Minister of Agriculture. Not one of these gentlemen would sustain any action on the part of any officer that would invade the prerogatives of hon. gentlemen opposite. But Lord Dundonald, as the officer commanding the Canadian militia, is responsible, in the eye of the people at any rate, for the efficiency of that force, and it is to him rather than to the Minister of Agriculture

that they look for the maintenance of the efficiency of that force and for the preservation of order and discipline in it. The attempt made by the hon. Minister of Agriculture this afternoon to defend himself from the allegations made at Montreal by Lord Dundonald has not been entirely successful. As has been pointed out, the hon. minister has frankly admitted that he has been interfering, and interfering to the detriment of the organization of the regiment in question, by objecting to the appointment of officers whose names were sent to him by the General Officer Commanding. He admitted frankly in the speech he made this afternoon that the name of Dr. Pickel was scored out because of his political affiliations.

The minister himself made that perfectly clear this afternoon. There were too many Tories being nominated for commissions from the district of Sweetsburg. The Minister of Agriculture, who was desirous that there should not be a semblance of politics in the administration of the force or in the organization of this regiment, thought that he knew more about the gentlemen who were being nominated to hold commissions in this new corps than the colonel to whom was given the responsible task of organizing it, or of his superior Lord Dundonald who had endorsed his recommendations. And because there were two Tories nominated by those best calculated to judge, this hon. minister steps in and stamps his foot down vigorously and says the organization of this regiment will not be completed unless a change is made in the personnel of the officers. There were too many Tories in the 53rd Regiment, he said, and he must see to it that the error of having Tory officers is not repeated in the regiment we are about to organize. But what prevented the political friends of the hon. gentleman joining the 53rd Regiment? Was there any barrier to their being admitted to commissions in the regiment at all? If they are not to be found in the regulations of the militia, the hon. gentleman himself might give the reasons why.

Sir FREDERICK BORDEN. I have.

Mr. CLARKE. There were no good reasons given, and the allegation that men were debarred from holding commissions in the militia force because of their political affiliations cannot be substantiated by the hon. gentleman.

Sir FREDERICK BORDEN. It is true.

Mr. CLARKE. I regret that the hon. minister reiterates that statement, because I have known something of the militia force in my section of Ontario during many years, and I never knew of any time or occasion when any gentleman in the militia force, because of his political affiliations, was debarred or prevented from receiving promotion or from being given a commission. Let me tell the hon. Minister of Militia that this is not the first time complaints have been made of the injury of the militia force by the promotion of political partisans by hon. gentlemen opposite. If this condition of things should continue, if the manly protest of Lord Dundonald does not produce the desired effect, grave danger will result to the force in the future. I have had pointed out to me an abuse in the organization of the army medical corps in the city of Toronto recently. The applications of men eminently qualified to hold positions in that corps, whose presence would be a guarantee of its fitness and excellence, were turned down, and political friends of hon. gentlemen opposite appointed because of pressure brought to bear on the Minister of Militia.

Sir FREDERICK BORDEN. Give the names.

Mr. CLARKE. I will give the hon. minister the names in private and will give him the opportunity of making a statement any time he sees fit respecting these names. I have nothing to conceal; but I am surprised that the Minister of Militia should have allowed such a condition of things to exist in connection with the establishment of this new regiment in the eastern townships, from which so much was to be expected. The testimony borne by hon. gentlemen opposite themselves as to the character and qualifications of Lord Dundonald to occupy the position he now holds is the strongest possible proof that can be adduced that all he is aiming at is the efficiency of our militia force. Has Lord Dundonald interfered in political matters? Has he given any indication that he desires the appointment of officers in any regiment because of their political affiliations? None at all; but as my hon. friend (Mr. Northrup) has said, after having been repeatedly pin-pricked by gentlemen who ought to have known better, he became restive and felt it his duty to enter an emphatic protest, once for all, against such political interference, and to take such steps as he thought necessary to make the Canadian militia what we all desire it shall be. I shall not take up any more time except to enter an emphatic protest against the action of the hon. Minister of Agriculture. The statement made by Lord Dundonald and the protest he has entered will find a responsive echo in the breast of every man in Canada who has any regard for the militia force of this country, who desires to see it in a state of efficiency, removed altogether from the influence of party politics. Lord Dundonald is not an unknown man. He came here with an illustrious record. He had earned his spurs. He earned them long before he came to Canada. He is not a foreigner nor a stranger, Mr. Speaker. His name and his fame are known wherever a man wears the British uni-

form, from one end to the other of this great empire, and his sole aim since he came here has been—and the Minister of Militia knows it as well as anybody—to promote the efficiency of our militia force, in whose welfare he has taken such a great interest. Is it because hon. gentlemen opposite feared that, becoming exasperated, the General Officer Commanding would enter his protest, they made provision in their new Militia Bill that in future the General Officer Commanding may be a Canadian? Have they found these sturdy Britishers who have been invited over here to command our forces not as pliable as they would like? Have they found that these men would not allow the force to be degraded into a political machine? Is that the reason we are to have this change made, so that those who may command our militia in the future will be men who will bow their heads meekly, and not stand up as men and soldiers should—as Lord Dundonald has done—in emphatic protest against a course which must be destructive of the best interests of the force and inimical to the best interests of Canada? I hope we shall never again, no matter what changes may take place in the force, witness an occurrence such as we have discussed in this House to-day. I repeat there was nothing else for Lord Dundonald to do than to let the people know what was going on in his department behind the scenes. There was nothing else for him but to let them know where the sore spot is. He, who was to be held responsible for the efficiency of the militia, was handicapped at every turn because the nominations made by his officers in the organization of a new regiment were being ignored and set aside solely on the ground that the persons nominated had the misfortune to differ in politics from the Minister of Agriculture. The picture is not a very happy one and does not reflect much credit on the Minister of Agriculture. There was nothing left for Lord Dundonald to do, under the circumstances, but make the speech he did, let the consequences be what they may.

Mr. RUFUS POPE. As this unfortunate subject, Mr. Speaker, which has attracted the attention of the House this afternoon, seems to have originated in the section of country, from which I come, it will perhaps be not altogether out of place that I should say something with regard to it.

The point has been raised this afternoon, and made a good deal of by the hon. gentlemen on the other side of the House, that the Minister of Agriculture (Mr. Fisher), who, apparently, has been transformed into a fighting man fit to be head of the department of war, decided that Dr. Pickel had not the qualifications to enable him to fill the position of officer in the reorganized militia force of the district. Previous to this militia reorganization of this particular part of the eastern townships, reorganization took place last year in the county which I have the honour to represent. The old 58th battalion was reorganized as mounted infantry. The principle adopted in that case was that the colonel was called upon by the Department of Militia and Defence to reorganize or create a force of mounted rifles from the old 58th battalion of infantry that had existed in the county for many years. As I understand it, the colonel was given carte blanche to select his officers, irrespective of whether they had passed any examination or not. Mr. Speaker, I am not versed in military matters, and do not pretend to have any knowledge of the details of this reorganization. It not being a political matter, so far as the county I represented was concerned, I took no particular interest other than to give such indirect assistance as I could by communicating, as representative of the county, with the Department of Militia at the instance of those interested. The reorganization took place. Young men were selected for their worth as citizens first. Though not pretending to know anything about militia matters, I believe that the upright, honest, straightforward, patriotic young citizen is the best foundation for a soldier you can find. They were selected on that ground. The officers of that reorganized corps had not passed their examination. The Minister of Militia was good enough to establish a school at Sherbrooke in the autumn after the first year of their drill, and in that school these officers became qualified, and this year they are going out full qualified men after having passed the requisite examination. Under these circumstances, I think that the argument presented to this House by the Minister of Agriculture that Dr. Pickel was not qualified falls to the ground. In the case I referred to, we had an entire regiment, or whatever they choose to call it, reorganized with officers who had not the necessary qualifications. So far as Dr. Pickel is concerned, I am not here to defend him; and. if he were present, it would not be necessary for any man here to rise in his defence, for he is quite capable of defending himself anywhere. He is very popular, a man of splendid character and of precisely the right age. And, as I understand it and know the facts, when the reorganization of this militia force in the county of Missisquoi was proposed they were looking for a man of character, some natural leader of men, to take a prominent position in the militia force and make the organization absolutely successful—not to make it, as the Minister of Agriculture said this afternoon, a political machine; not at all; but to make it what the Minister of Militia (Sir Frederick Borden) and every other good citizen of Canada would desire, as perfect a militia organization as it was possible to get in that vicinity. In order to accomplish that Dr. Pickel was sought. He did not seek the positon; he is

beyond seeking positions; positions are offered to him. The people who know him best offer him the best it is in their power to give him. Those interested in this reorganization sought him and asked him to fill this position. He accepted it with modesty; he felt that he was not a qualified officer, and made certain excuses on that ground. But finally he said: I am a good, loyal citizen of Canada, and if my connection—temporary, if nothing else—will do something to help the reorganization of this militia force and put it on a proper footing, I consent. These were the conditions under which he consented. And we can readily understand that, when it was represented to him that his connection with the force, from the very fact that he was a prominent Conservative, was checking the work of reorganization, he would say at once: I do not want it; it is nothing to me; put me out and go on with the reorganization, if it will please the Minister of Agriculture and help on the work, leave me out. Every one who knows Dr. Pickel knows that that is the way he would regard it, and the Minister of Agriculture knows it perfectly well. So far as the family history in connection with Senator Baker, or with any other Conservative family of the eastern townships, that the Minister of Agriculture has presented here to-day, I do not think it is altogether a ground of fault-finding for those Conservative families to say that they are built of the peculiar stuff of loyalty and patriotism that, when you want to form a militia corps, you are obliged to go to a Conservative family to find the leaders, the men in whom the rank and file will have confidence. It may suit the purposes to-day of the Minister of Agriculture. I listened to that hon. gentleman—of course, I speak under prejudice; I understand that perfectly well; I own the corn, I speak under prejudice. At the same time I listened to the speeches the hon. gentleman (Mr. Fisher) delivered. At first I remarked the articles that had been prepared and typewritten for him and that he read; and then I listened to his second speech, in which he contradicted every position taken in those typewritten articles, and in which he confessed the crime—if it is a crime—with which he is charged. If it is a crime for a public man in a high position, moved by influences which do not appear on the surface, to prefer one citizen as against another as a defender of this country, then the Minister of Agriculture is as guilty as any criminal who ever stood in the dock and that is proven by his own confession in this House. Now, the Prime Minister (Sir Wilfrid Laurier) made a speech this afternoon. He insisted that the General Officer Commanding should understand that the government of this country would not be dragooned. Yesterday we had a statement from one of the right hon. gentleman's lieutenants in the Senate. And, putting these two things together, we have the principle laid down by the Prime Minister that if the General Officer Commanding chose to do anything for the militia of Canada without consulting the Privy Council he would be guilty of dragooning the government.

The right hon. gentleman (Sir Wilfrid Laurier) also said that in his early days he was a military man. I was surprised to hear that. We knew there was a period in his life when he expressed a willingness to be a soldier. We knew that he had said that he would shoulder his musket on the banks of the Saskatchewan to fight on behalf of a rebel. That is the only time I ever heard of the right hon. gentleman shooting a gun in the Dominion of Canada. I do not know if he refers to an earlier part of his career, there may be an earlier part when the right hon. gentleman was unknown to Canada. But, Sir, he is not the only soldier. We have another soldier in the rank of the government, the Minister of Agriculture. It may not be known to you Sir, but I shall inform you in order that you may carry it back to the constituencies in which you commune now and again. The Minister of Agriculture is a gallant officer. True he has never passed any examination, true he has never fought any battle for his country true he has never substantiated any principle that he ever fought upon. But nevertheless he is supposed to be a gallant soldier. He found, perhaps for the benefit of his health, perhaps because he had been promoted to a high position as a member of this government, and become to some extent an aristocrat, that it was incumbent upon him to own a saddle horse, and he bought one. This horse was not easy to ride, and you can understand as well as I can that a man who has toiled hard and long upon the farm, pulling weeds and hoeing corn and digging away and spreading manure, is not suited to a horse that is not docile and to a certain extent cumbersome. It was suggested to the gentleman who was keeping the livery stable in this city that exercise might be given to this horse, and he went to the Minister of Agriculture. It was intimated to him that the volunteers were about to go forth to their annual drill and that somebody might be induced to ride this horse and pay him for its use and, being a great financier, as well as a patriot and a man of war, he determined that his horse should serve his country which he had never done, and that he should get paid for its use. The double temptation was great, and the horse went forth to battle. He battled for 12 days which is the rule in this country and fought those imaginary battles that are fought under these conditions, and then he returned. As you know the volunteer, the man who leaves his business and goes forth into these imaginary battles receives for himself and his horse $1.50 a day, and if you multiply that by 12, you will find that

he gets $18 altogether. That is what the man got for the horse belonging to the Minister of Agriculture and himself for those 12 days. Now, Sir, it is the Minister of War we are speaking of, and to show his deep patriotism, his intense interest, as he portrayed it this afternoon, in the development of the militia system of Canada—I was surprised to hear him as I did not know that he possessed such intense interest and patriotism—the generosity of that Minister of War or that pro-Minister of War was so great that when this man came to him with that $18, which he had received for himself and the horse, the Minister of War took the whole $18. We do not often get such sacrifice, such evidence of deep patriotism, such soldierly feeling, perhaps in the empire, not alone in Canada. When I heard the minister to-day and saw him standing with defiance and saying that he assumed the entire responsibility in this matter, although we have had some humorous and ridiculous situations, I do not think we have ever seen anything as funny as the valiant position taken by the pro-Minister of War. Of course there were no guns pointed towards him and he was absolutely safe when fighting this great battle. Sir, a man who had taken $18 for the use of a horse for 12 days when the poor devil only got $18, could not stoop to any position other than the most honourable, and when I heard him I said to myself : At last that animosity, that miserable feeling which I should not entertain towards the Minister of Agriculture must vanish, and when I go forth from this House I must bow with that great respect that should be given by every citizen of Canada when he meets a man moved with these deep, manly, warlike feelings, which the Minister of Agriculture is supposed to entertain.

The representative of the Prime Minister in the Senate yesterday said that the General Officer was to be a servant of Canada. We are all servants of Canada and the true servant is the man who does his work without prejudice. I have heard that the general has not brought this question before the House with a lawyer's dexterity. That is the absolute test of his honesty as a soldier ; let it come here as it might. It is said that he gave the memorandum to the hon. member for North Victoria (Mr. Hughes) when he should have given it to the minister. When was that presented to this House ? After the clock pointed to the hour of three. The master owes a duty to the servant as well as the servant to the master, and it is the duty of the master to protect the servant until he does not deserve protection. I ask whether that servant had not the right to expect a letter, a request from the minister to go to his office in order to discuss this situation, to see if he had any defence for the position he took in Montreal. He waited until three o'clock. Would you ask him to wait until four ? Was he to go to the master who had said nothing to him, or was he to present to parliament his simple defence and let parliament decide on its merits ? I believe the general took the right course. We are all servants, the Prime Minister is a servant, the President of the United States is a servant, the King of England is a servant if you like. Do you, Mr. Speaker, or the right hon. Prime Minister or any member of the government tell me that because the King of England receives a salary, that because the President of the United States receives a salary, or that because the Prime Minister receives a salary, there is to be no distinction between any of these, and the most menial servant who labours in this country ? Has the time arrived when no distinction is to be made ? I say that the King of England has a right to be treated according to the position which he occupies, that the President of the United States has the right to be treated according to the position which he occupies, and the right hon. Prime Minister according to the position that he occupies, and I say that the General Officer Commanding who stands at the head of the militia force of Canada, has the right to the same treatment and not to the treatment of the most menial servant in the land.

Mr. GEO. W. FOWLER. Mr. Speaker, it seems to me that perhaps the most regrettable thing in connection with this question is the fact that a responsible minister of the Crown and a man who, entertains a very high opinion of the prerogatives and privileges of a minister of the Crown should stand up in this House and in the presence of the commons of Canada make a statement in reference to a matter of this kind such as the hon. Minister of Agriculture (Mr. Fisher) has made this afternoon, a statement, Sir, which before he got through, he was obliged to contradict when he found that there was in possession of an hon. member on this side of the House, a memorandum setting forth the case which contained a clear, distinct and absolute refutation of the statement which the hon. minister had made in his first, prepared and typewritten remarks. I say, Sir, that the conduct of the hon. Minister of Agriculture is a humiliaton not only to himself but a humiliation to the government of which he is a member, and a humiliation to this parliament. It is astonishing that an hon. minister of the Crown, or a supposedly hon. minister, would attempt to misrepresent the facts to the members of this House. In the typewritten statement which the hon. minister read this afternoon to us he claimed to be actuated only by a desire that the portion of the militia force situated in the eastern townships that was being reorganized should be reorganized in the best possible manner and that he was purely and

absolutely concerned in seeing that the interests of the militia force were safeguarded. But, before he got through his verbal statement, he made it plain that he was actuated by a desire to introduce politics into the militia of that part of the country and see to it that Conservatives were not appointed to positions of honour in that regiment. Now, Sir, I regret that the hon. Minister of Militia and Defence (Sir Frederick Borden) has been compelled by force of circumstances to lower himself in the estimation of the country, for I do consider that he has lowered himself and that he has lowered the position which he occupies in the country. He has been looked upon as a very good Minister of Militia, as good a Minister of Militia as a Liberal could possibly be. But, I am afraid that as a result of the line he has taken to-day he will shrink considerably and that his glory will become considerably lessened in the eyes of the people of Canada. We find that the names of sixteen persons were recommended for appointment as officers of this regiment. Of these persons only two, Major D. W. Stewart and Captain G. Carr, were qualified according to the militia regulations for the positions to which they were appointed. In fact, the very man who was put in the place of Dr. Pickel was not a qualified officer under the militia rules. So that the only argument which the hon. minister or the Minister of Agriculture could possibly bring forward to justify the striking out of the name of Dr. Pickel is the fact that he is a Conservative. Lord Dundonald, the ablest, the best and the most popular Commander-in-Chief that Canada ever had is to have his head struck off merely from the desire of the Minister of Agriculture to introduce politics into the militia. No Tory need apply —that is written on the door of the Militia Department. Perhaps if the general had been a little more yielding, a little more pliant, a little more submissive in his intercourse with the Minister of Agriculture, perhaps if he had been able to realize a little tin god when he saw one he would not have had as much difficulty with the hon. minister as he had. But, in his innocence, he had the temerity to use the telephone with that high and mighty personage, the hon. the Minister of Agriculture. He communicated with the hon. minister by telephone. He attempted to discuss this matter with him, but so great a man as the Minister of Agriculture, this expert on chicken fattening, was not to be treated in such a cavalier manner as to be talked to over the telephone. This great man, this minister must be approached in a more servile, a more submissive manner, because he resents the attempt of the Commander-in-Chief to talk to him over the telephone. We have had some striking differences of opinion as to what has occurred in connection with this matter. We have had such wide divergences of statement that somebody must be telling what is untrue. In plain language somebody must be lying. Who is it? Is it the general, Lord Dundonald, because the statement of Lord Dundonald in respect to what took place between himself and the hon. minister does not coincide with the statement of the hon. Minister of Agriculture. The divergence is so great and the points of divergence are so essential that it is impossible that it is a mere matter of mistake. The statements of the hon. Minister of Agriculture and Col. Smart do not coincide. There is the same wide divergence, the same variance between their statements as there is between the statement of the hon. minister and Lord Dundonald. Col. Smart has no prejudice in this matter as far as I can understand. I believe that Col. Smart is of the same political complexion, at least I have understood so, although I have not the honour of the acquaintance of that gentleman, as has the hon. minister. Col. Whitley who is the brigadier of the district is of the same political complection. Whatever object they would have in changing or colouring would be to do so on behalf of the Minister of Agriculture. But, they are honest, truthful men. We have the statement of Col. Whitley. The statement of Col. Smart is an entirely different and distinct statement from that of the hon. Minister of Agriculture. He says in this letter of May 19, that Dr. Pickel was induced to consent to the withdrawal of the recommendation that had been made and as my hon. friend from Compton (Mr. Pope) said that very consent reflects the highest credit and honour upon Dr. Pickel, because if there were no other evidence in the case, that would stamp him as a man of such honour and integrity as would convince any non-partisan person that he would be a most excellent man to have in the militia of Canada. Whom are we to believe? Are we to believe the statement of the hon. Minister of Agriculture which is absolutely contradictory in itself or are we to believe the statement of those three gentlemen who have no object whatever in misstating or misrepresenting the facts.

It seems to me that apart from any question of political partisanship we must of necessity believe the statements of two honourable men like Lord Dundonald and Col. Smart. That being so, what sort of an opinion are we to form of the Minister of Agriculture who would so far forget his ministerial position—of which he seems jealous enough when it comes to a question of precedence—what sort of opinion are we to have respecting such a man; what sort of opinion can the country or even his own supporters have respecting him, when he can get up in this House as he did, and make a statement with the sole intention

of misleading hon. members, and misleading the people of this country. It has been said that Lord Dundonald was guilty of a grave breech of etiquette, if not discipline, in placing that memo. in the hands of the member for North Victoria (Mr. Sam. Hughes). Let us see how fair the government have been to Lord Dundonald. Yesterday, the Prime Minister announced that the matter would be taken up to-day, and from that hour to the present no communication, so far as we have been informed, has passed between the Minister of Militia and Lord Dundonald. There has been no request to Lord Dundonald to give his side of the case. If the members of the government had been honest, if they desired to be fair to General Dundonald, the Minister of Militia would have read General Dundonald's statement when he was asked to do so. Nay, he would not have waited to have been asked. If the Minister of Militia were a fair man and desired to do justice and fair-play to the gentleman who is claimed, to be an officer of his department; he would not have waited to be asked to read that memorandum, but in connection with his own presentation of the case he would have presented Lord Dundonald's side too. But Lord Dundonald knew well the class of men he was dealing with; he knew well how little dependence was to be placed on their sense of justice, and consequently, in order to protect himself, he placed in the hands of my hon. friend (Mr. Sam. Hughes) a memo. which at the same time he sent to the Minister of Militia. Why, Sir, in the conduct of a trial, when the plaintiff's attorney states his case to the jury, he also states the pleadings on the other side. Lawyers are not generally supposed to be fair to their opponents, but, Sir, the fairness of lawyers shines out in contrast to the manner in which the Minister of Militia and the Minister of Agriculture have treated Lord Dundonald in this affair. Sir, this seems to me as a most regrettable incident, regrettable because of the unworthy conduct—I hope I am not unparliamentary—Mr. Speaker shakes his head.

Mr. SAM. HUGHES. That means that you are parliamentary.

Mr. FOWLER. The unworthy conduct—

Mr. DEPUTY SPEAKER. I do not think the hon. gentleman means to say that, because it would be unparliamentary.

Mr. FOWLER. Then, Mr. Speaker, we will consider it not said; we will let the meaning go just the same. I was somewhat surprised at the statement which fell from the lips of the Prime Minister to-day. Is it to be said by the Prime Minister of a British colony, that a man of British birth and of British parentage, when he comes to a colony of Great Britain, is a foreigner. The Prime Minister when he used the word saw that he made a great mistake. A man who had shed his blood for this great empire; a man whose ancestors for many generations back have fought and bled to the upbuilding of this great empire of ours; such a man to be characterised by the Prime Minister of a British colony as a foreigner——

An hon. MEMBER. Oh.

Mr. FOWLER. Who says oh? I can quite understand a remark of that kind coming from an hon. gentleman opposite. I have heard the words the Prime Minister has uttered. I can understand something of the feeling that actuates him towards British generals and British officers; but, Sir, thank God, that feeling is not widespread throughout this Dominion of Canada. The Prime Minister amended the word 'foreigner,' by calling the General Officer Commanding a stranger. Dundonald, the man whose name is a household word throughout Canada, to be called a stranger in Canada. The amendment was very little better than the original in the mouth of the Prime Minister. No, Mr. Speaker, Lord Dundonald is neither a stranger nor a foreigner on any soil where the British flag floats. Now, the Minister of Agriculture expressed a great desire that a certain lieutenant who had been in South Africa and who had won the V. C. should be an officer in this regiment. That was right. I believe promotion should go to the most deserving, and that the men who have gone in active service to fight for their country should have a share of the honours. But the Minister of Agriculture and his friends were not always so favourable to that idea. When the coronation of the King was about to take place in London, there was a little junketing trip for some members of the militia of Canada. The Minister of Militia and the government were not so solicitous then that the men who fought in South Africa should be placed on the coronation contingent. We moved from this side of the House, that such men should be given the preference, but it did not suit the purpose of the government, and they voted our motion down. But now it suits the Minister of Agriculture to tell another story, and he says that he was actuated by a desire that this lieutenant who had gallantly won the Victoria Cross should be an officer of that regiment. This lieutenant was and is upon the force, and it was not necessary that he should take the place of Dr. Pickel; there were other vacancies to which he could be appointed. But, any port in a storm; any excuse will suit the Minister of Agriculture when an excuse is hard to find. So far as I am concerned I am not actuated by any desire to make political capital out of this regrettable thing. I am desirous, as are all the members on this side of the House, for the welfare of the milita of Canada. I was at one time con-

nected with our militia, and I am anxious indeed that nothing should be done to injure the efficiency of the force upon which we have to depend in case of difficulty with our neighbours to the south, or with any other nation. I regret exceedingly that the usefulness of a man like General Dundonald—the best and most efficient Commander-in-Chief we ever had in Canada—should be cut short by the conduct—the narrow-minded, bigoted conduct of the Minister of Agriculture. That is what I characterize it. I can characterize his conduct in no other terms that could properly fit it, and I submit with confidence that these terms are not unparliamentary. I say that the narrow and bigoted, politically bigoted conduct of the Minister of Agriculture, will have a most serious effect if the result be, that we are to lose the services of General Lord Dundonald to the militia of Canada.

Mr. SAM. HUGHES. I presume, Mr. Speaker, that you will accord me the right of closing the debate, unless some gentleman on the other side wishes to speak.

Mr. FIELDING. Will the hon. gentleman permit me to say, lest there be any misunderstanding, that in the view of the government the question before the House to-day is not the propriety of Lord Dundonald's conduct. That is a separate question. The course of the discussion to-day has perhaps inevitably taken the form of personal explanations by the Minister of Militia and the Minister of Agriculture. In the view of the government, the question of the propriety of Lord Dundonald's course is a different matter, and we have purposely refrained from discussing it to-day. It will come up in due course. I merely wish to make this explanation.

Mr. SAM. HUGHES. The hon. member for Labelle (Mr. Bourassa), in his remarks, seemed to take for granted that the general officers sent here by England had never realized any responsibility to the government of the country. While that may have been true in the case of some former General Officers Commanding, it has yet to be shown where Lord Dundonald has been anything else than thoroughly constitutional. The Minister of Militia, thank heaven, is the only minister to whom the General Officer Commanding owes allegiance. Let it be understood that no General Officer Commanding, and no other military officer of this country, has to pay allegiance to any Minister of Agriculture, be he never so small or never so great. Lord Dundonald has never yet been charged with being unconstitutional or with failing to recognize to the fullest extent his responsibility to the Minister of Militia. Lord Dundonald has ever been considerate in his dealings with the officers and men with whom he has been associated in Canada. He recognizes to the fullest extent his allegiance to the Minister of Militia and the powers of parliament in relation to the militia of this country. He has never sought to override his minister by claiming that he had a right to approach in his official capacity the Governor General of Canada. And, Sir, Lord Dundonald has never yet been insubordinate to his minister. I have watched his career very carefully; and when hon. gentlemen on the other side of the House sought, in reference to a speech which he made some time ago in Hamilton, to make it appear that he had been guilty of insubordination, his minister never admitted the charge. But there are times when patience ceases to be a virtue; and, as my hon. friend from West Toronto (Mr. Clarke) has said, the pin pricking of the Minister of Agriculture, not merely during the two or three days that he was acting Minister of Militia, but for many weeks, since last February, all through the months of March, April, and May, and even into the month of June, Lord Dundonald has borne with a great deal of patience. There is a feeling abroad—it was displayed by the Minister of Agriculture on this occasion—that the position of the General Officer Commanding in Canada, because he happens to be an imperial officer, is one of servitude. Let these hon. gentlemen disabuse themselves of any such notion. By accepting service in this country, in the position of General Officer Commanding, neither Lord Dundonald nor any other officer occupies a position of servitude to these people, and is not to be insulted and taunted and thwarted and belittled on every occasion. They may just as well realize once for all that the people of this country are not going tamely to submit to their petty tyranny in order to drive these officers out of the country. However, we shall have that discussed later on. The Minister of Agriculture did me the honour to refer to my having a position on the staff of this country, and he criticised Lord Dundonald for sending to me the communication which was presented to this House to-day, instead of sending it to the Minister of Militia. It has been pointed out, Sir, by more than one hon. member on this side of the House, as well as by hon. gentlemen on the other side, that Lord Dundonald was not called on by the government for any statement here to-day. Had the bald statement of the Minister of Agriculture, supplemented by the statement of the Minister of Militia, gone to the country in the way in which it was read by him to this House to-day, I leave it to this House and the country if a false impression—if I am parliamentary I will say a deliberately false impression—would not have been conveyed to the people of this country. That was only prevented by the fact that yesterday, when the First Minister announced that he was going to bring this matter up to-day, and when he declined my request to have it postponed till Monday, I wondered what the other side

of the case might be. As I have already stated, I have in my desk letters on this matter from honourable citizens of the Eastern Townships ; but I wrote a letter and sent it to Lord Dundonald, asking him if I might have an interview with him or have some statement from him on this subject ; and at ten minutes after three to-day that statement was read by me for the first time. I presume that His Lordship waited until the last minute to get a request from his minister or from the government, in order that he might have his case presented to the country side by side with that of the Minister of Agriculture. But, true to the spirit of unfair play which has characterized the hon. Minister of Agriculture in the past, and which has characterized him in the present instance, the General Officer Commanding would have been given no opportunity to have his case presented to the people of Canada and the empire at large had I not taken the course I did ; and the bald statement of the Minister of Agriculture would have gone before the people of Canada and the empire, and would have been in itself deceiving. The Minister of Agriculture referred to my position on the staff, and implied that Lord Dundonald had demeaned himself by addressing a letter to one who occupies a position on the staff. As I pointed out to-day, as a member of parliament I am absolutely independent. That question has been fought out by me before this. I had the honour of educating the Minister of Militia, and he knows it. I had the honour of educating the Prime Minister, and he knows it. I have not yet taken the Minister of Agriculture in hand. I may before the end of the session——

Mr. FISHER. He is a bad subject.

Mr. SAM. HUGHES—and if I tackle him, he will be educated—let him make no mistake. He will be a sadder and a wiser man when I am through with him. I had the honour of educating these gentlemen some years ago on their duties in relation to members of parliament holding positions in the militia service of the country. A member of parliament owes allegiance to no superior ; the people alone are his masters, and these gentlemen may just as well understand it. I have had the honour of being offered the highest civil service position in the militia of this country. Many years ago I was offered the position now held by Colonel Pinault—that of deputy Minister of Militia; but I had seen a former deputy Minister of Militia, a former adjutant general, treated by members of the Liberal party before committees of this House worse than slaves were ever treated. And I made up my mind that if I became a civil servant, to be treated as those gentlemen were, there was only one way to teach them their duty and that was by appealing to them through the hide. I determined therefore that I would always be in a position to treat those gentlemen as they deserved without violating my duty as a servant of the country. Accordingly, neither did I accept long years ago the offer of the position of Deputy Minister of Militia, nor did I later in 1894 accept the position of Adjutant-General of Canada. I declined to be a civil servant in this country. The hon. Minister of Agriculture had had the brazen hardihood to stand up in this House and tell us how he did interfere in the appointments of officers to this regiment and had struck off the names of Conservatives. Let me tell him that I had the honour of commanding a regiment a good many years and that I am in the service thirty-seven years. I had an officer who had risen from the ranks to a captaincy, and had been in my regiment some fifteen years, and I never knew until this spring that he was a member of the Liberal party. I only knew it when in conversation one day he told me himself. Neither directly nor indirectly have I ever, as the best officers in the regiment can testify, permitted politics to interfere in my conduct of its affairs. Liberals as well as Conservatives can bear testimony to that statement ; and although I am now out of the regiment, my hon. friend will find that the officers who served under me and the men also are to-day staunch supporters of mine simply because I have always treated them as men and not as politicians. I wish to emphasize this aspect of the case to the First Minister. As pointed out by my hon. friend from Jacques Cartier (Mr. Monk), the Minister of Agriculture has been guilty, I shall not say of treason, but of very improper conduct, and if the right hon. gentleman does not dismiss his colleague from the cabinet, he will be recreant in his duty to the Canadian people. The question has been asked by the same Minister of Agriculture why there were so few Liberals in the corps. I need hardly tell the hon. gentleman that the policy pursued by the Liberal party during many years has not been such as to induce Liberals to wear uniforms of His Majesty and come to the defence of their country. The policy of the Liberal party would lead us to come under the Stars and Stripes. Their policy during many years tended towards annexation and was no encouragement to young Liberals to fall in and wear the uniform of men determined to uphold British institutions. It is the teaching of the hon. gentleman and his colleagues which accounts for so many of our young Liberals not being found in the force. However, I am proud to say that they have torn themselves away from these gentlemen and are now coming into the force in large numbers. Just one more reference to the hon. Minister. It was not Lord Dundonald—as the First Minister has attempted to point out—who selected these

officers, but Col. Smart who, I am told, is a Liberal, and Col. Whitley and Col. Roy, all Liberals. These are the three who were selecting officers for the regiment and who had to approve of these officers before sending in their names to the General Officer Commanding. They had no interests to serve other than the best interests of the regiment. But the Minister of Agriculture was not content to accept their selections, and sought to gratify his petty spite and prejudices by keeping good and efficient men out of the service. Another statement of the First Minister was this. He referred to Lord Dundonald as a foreigner and a stranger. Let me tell the right hon. gentleman that Lord Dundonald is a Britisher and so are all Canadians, irrespective of language, race or nationality. We are all Britishers, Sir, and mark you we intend to remain Britishers. It was Britain which won, has held, has upbuilt and has peopled this country, and let me tell the right hon. the First Minister that we intend it shall remain British. It shall not be annexed to the United States. It shall not become independent of Britain, because the people who never hesitated to come to the front in times of necessity have decided that it will remain British if they know their business. Let me tell you, Sir, further that Canadians owe allegiance first to the empire of which Canada forms a part, and that they intend remaining British; and should the time ever arrive when any Canadian government will demand the allegiance of Canadians to an independent Canada on the one hand in preference to the old empire, including Canada, on the other, the rebel will be he who declines to stand by the old British empire. I think, judging by the general conduct of these gentlemen, that the time has arrived when we may as well lay down the law to them ; and if the time should ever come when these hon. gentlemen will undertake to bring about such a condition of affairs as they would lead us to believe they have in view, they will find that they will have to depend not on horses alone and that it will require some thing more than horses to accomplish what they desire. Let me tell the right hon. the First Minister furthermore that Lord Dundonald is no foreigner and no stranger in this Dominion.

Motion (Mr. Sam. Hughes) to adjourn, negatived.

Mr. FIELDING. I think it will be admitted on both sides that it is rather late to resume the adjourned debate on the budget ; and to place ourselves in order, I would move that the House resolve itself into Committee of Supply, merely to have an intervening proceeding before renewing the motion to adjourn.

Motion agreed to, and House went into Committee of Supply.

Progress reported.

On motion of Mr. Fielding, House adjourned at 10.55 p.m.

HOUSE OF COMMONS.

MONDAY, June 13, 1904.

The SPEAKER took the Chair at Three o'clock.

FIRST READING.

Bill (No. 134) to amend the Act respecting the Jurisdiction of the Exchequer Court as to Railway Debts.—Mr. C. Marcil.

PERSONAL EXPLANATION.

Mr. W. M. GERMAN. Mr. Speaker, before the Orders of the Day are called, I desire, by way of personal explanation, to bring to the attention of the House a speech which is reported in 'Hansard' of June 10 as having been made by the hon. member for North Victoria (Mr. Sam. Hughes). The hon. member, speaking of the 2nd Dragoons in the Niagara peninsula, in connection with alleged political interference in militia matters, is reported as having said :

> An officer second in command, not yet qualified to command, communicated with the hon. member for Welland (Mr. German), and he, in language more befitting Canal street, Buffalo, than an hon. member in this House, stated that Lord Dundonald would be taught that he had no power to give the extension. I shall give the story, and then we shall see whether the facts bear it out or not. He made the statement that there would be no extension of command, and the notice which Lord Dundonald had given was cancelled.

Further down he said :

> I have not said that the hon. member for Welland (Mr. German) wrote or spoke to the minister, but I have stated that the hon. member for Welland stated that in his county.

Now, Sir, I am not aware what sort of language is peculiarly fitted for Canal street, Buffalo. Evidently the hon. member does, possibly from experience. But I do say that no officer, second in command or otherwise, of the 2nd Dragoons asked me at any time to interfere to prevent Colonel Gregory from getting an extension of his command. I at no time spoke to the minister or to any officer of the department suggesting that Colonel Gregory should not get an extension, or that any recommendation that should be made for him to have an extension should be cancelled. During the last winter I had the honour of dining with Colonel Gregory and other officers of the 2nd Dragoons at St. Catharines. My hon. friend from Lincoln (Mr. Lancaster) also was present. On that occasion Colonel Gregory stated that he had been recommended for an extension of his

term of command. I had the honour and pleasure then of congratulating him upon that fact, and never at any time did I suggest that he should not get or receive that extension. The statement that I said that Lord Dundonald would be taught that he had no power to give the extension is absolutely and unequivocally untrue. I never made such a remark; I never made any remark which, by any tortuous construction, could be so interpreted; and I defy the hon. member to bring any individual who will suggest that I ever made any remark that could possibly be interpreted in that way, I am inclined to think that it has been evolved from the hon. member's own vivid imagination.

THE COAL OIL DUTY.

Mr. J. E. ARMSTRONG. Mr. Speaker, before the Orders of the Day are called, I would like to draw the attention of the government to the serious state of affairs among the crude oil producers in the counties of Lambton, Essex, Kent, Elgin and Middlesex. When the government brought down their tariff resolutions they do not seem to have made any provision for paying the crude oil producers their bounty. The crude oil is gathered in tank wagons and shipped in pipe lines to the receiving station. The crude producer takes receipts for the oil as he delivers it, and receives payment for the receipts from the Standard Oil Company or from the independent refiner. For several days they have been receiving only $1.62 a barrel. Previously they received $2.09 a barrel. What I am anxious to know is how these men are going to get their bounty money. There are hundreds of them scattered throughout those counties, who have been receiving payment from the refiners at the $1.62 rate. I would like the Finance Minister to explain how these men are likely to get their money, and how soon.

Hon. W. S. FIELDING (Minister of Finance). I am sorry that I cannot give the information which the hon. gentleman wants, nor is it possible for anybody to give it. The payment of a bounty requires an Act of this parliament. Notice of motion has been given, and in due course that notice of motion will come forward. If it is found to be in any way defective, we will, of course have it rectified to make it serve the purpose announced. It will then be crystallized into an Act of parliament, and that Act, as usual, will take effect from the date on which the announcement was made. Until that Act passes we shall not be in a position to pay a cent of bounty to any one. As to the details which the hon. gentleman mentions, these have been brought to the attention of the government by several gentlemen. To these and other questions relating to the tariff we shall give careful attention, and when the resolutions come up to be dealt with, we shall endeavour to make them as satisfactory as possible. But it is not possible at present to state to my hon. friend more than I have now said.

Mr. ARMSTRONG. Seeing that it is customary that tariffs, when they are changed, are brought into effect on a date when no inconvenience would be caused to any one, had the Minister of Finance, in his statement with reference to the tariff on oil, stated that it would come into effect on the 1st of July, I feel satisfied that we should have had very little trouble, and the government would have had time to investigate the matter. But it seems to me that the government of this country were anxious to make a sort of fireworks display——

Mr. FIELDING. Order. The hon. gentleman has a right to ask for an explanation. He has no right to make a speech unless he intends to move the adjournment of the House, and I think there is nothing in the circumstances to warrant it.

Mr. ARMSTRONG. Then let me state the predicament the producers are in. They are not likely to receive the bounty themselves——

Mr. COWAN. Why not make the speech on the tariff?

Mr. ARMSTRONG. I will make it, my good fellow; and you will not perhaps be so happy after it is made.

Mr. COWAN. My learned friend always makes me happy.

Mr. CLANCY. I desire to state what is within the knowledge of the Minister of Finance, that the citizens of the town of Sarnia have sent to the government a largely signed petition having regard to the supposed readjustment of the duties on crude and refined oils. I would ask the Minister of Finance if he has any objection to laying that petition on the table?

Mr. FIELDING. I know of no objection I have already furnished a copy privately to hon. gentlemen opposite, and I will have another copy prepared and laid on the table.

THE LOBSTER FISHERIES.

Mr. A. A. LEFURGEY. Mr. Speaker, before the Orders of the Day are called, I have a matter of some importance to bring up respecting one of the most important industries of this country, namely, the fishing industry, and more particularly a very important branch of it carried on in Prince Edward Island—the lobster fisheries. Early in April I received a communication from some people at the eastern end of Prince Edward Island, accompanied by a petition signed by ten or fifteen of the most important business people in King's county, protesting against certain abuses of the lobster regulations that had taken place during the

last two years. I read a copy of the petition which was forwarded.

Mr. SPEAKER. Does the hon. gentleman intend to move the adjournment ?

Mr. LEFURGEY. If necessary I shall do so. The matter is of such importance that I thought possibly the motion would not be necessary.

Mr. SPEAKER. It may lead to debate and it would be more in order for the hon. gentleman to make a motion.

Mr. LEFURGEY. I shall do so. This is the petition :

Souris, April 11th, 1904.

Hon. Raymond Préfontaine,
Minister of Marine and Fisheries,
Ottawa.

Dear Sir,—The undersigned lobster packers of Prince Edward Island wish to call your attention to the following abuse of the granting of licenses for packing lobsters on Prince Edward Island :—

We were given to understand that, acting under an Order in Council passed some time since, no more fishing licenses would be granted upon Prince Edward Island.

Last season, through the influence of Mr. J. J. Hughes, M.P., for this county, a fishing license for packing lobsters was granted to Mr. McEachern, of Black Bush, thereby opening a new factory between that of Mr. A. D. McIsaac and Messrs. Matthew and McLean.

This season we understand that Mr. Hughes has gone into partnership with Mr. John Ryan, of Priest Pond, and is securing for him another license for packing lobsters between Matthew's and McLean's factory and Donald Leslie's, Campbell's Cove.

We consider this action on the part of the department very unfair, and we should either have licenses for every person that asked for them for packing lobsters, or else the Order in Council should be adhered to.

Before these latter licenses were granted, there were five factories from Black Bush to East Point in a distance of eighteen miles, and if these two factories are allowed to run, it will mean seven factories in a distance of eighteen miles on a straight shore.

We trust, therefore, that your department will see fit not to grant any license to Mr. Ryan, and that the license of Mr. McEachern will be cancelled, otherwise that all fishermen applying for licenses for packing shall be granted to them.

We remain, truly yours,

Location Factories—	
East Point,	C. H. S. STERNS.
Bayfield & North Lake,	MATTHEW & McLEAN,
Campbell's Cove,	DONALD. C. LESLIE,
Bay Fortune,	JAS. W. DINGWELL,
Annandale,	EDWIN McFARLANE.
St. Peter's Harbour,	H. D. McEWEN,
Black Bush,	ANGUS D. McISAAC.
Georgetown,	A. A. McDONALD BROS.
Georgetown,	W. W. JENKINS.

This petition is signed irrespective of party allegiance. A number of those who signed it are strong supporters of the present administration. It is simply a protest, as it says, against an Order in Council, but I afterwards found there was no Order in Council, but that the government was simply following out certain lines of policy respecting this industry. The parties who forwarded this petition thought the matter of such grave importance to the lobster industry that they wired me that they were prepared to present the petition in person if that were necessary. I immediately communicated with the department, and received the following letter from the deputy minister :

Ottawa, April 15th, 1904.

Sir,—In reply to your letter of to-day's date, addressed to Mr. Venning, I have much pleasure in inclosing copy of the lobster fishery regulations at present in force in the Dominion.

Touching your inquiry with regard to the establishment of new caneries, I may say that owing to the ever increasing number of lobster canneries along the Atlantic shores of Canada, it has been found necessary, in the interest of fishermen as well as of the fishery, to curtail as much as possible the issue of new licenses, particularly in localities where the number of lobster canneries has reached the maximum of what the fishery will stand, and with this end in view, the department has adopted the policy of refusing applications for new canneries, and in this connection, applications for licenses to reopen canneries which have not been operated for period of two years, are regarded as additional ones.

I am, sir,
Your obedient servant,
(Sgd.) F. GOURDEAU,
Deputy Minister of Marine and Fisheries.

A. A. Lefurgey, Esq., M.P.,
House of Commons.

I was not quite satisfied and thought it my duty to push the matter further. The deputy minister stated that when they thought there were a sufficient number of lobster canneries in operation along a certain line of the coast it was the policy of the government not to grant new applications. I had a map of the district made, and found that within a space of some twenty miles there were seven factories in operation, and I considered that the establishment of any new factories along that coast was not justified. I therefore interviewed the Minister of Marine and Fisheries and he said he would look into the case and send me a communication. On the 22nd April I received the following communication from the minister :

Office of the Minister of Marine and Fisheries of Canada,

Ottawa, April 22nd, 1904.

Sir,—In view of the policy of the department to prevent as much as possible an undue increase in the number of lobster canneries on the Atlantic coasts, by placing necessary restraint upon their multiplication, as well in the interests of the canners themselves as in that of the preservation of the fishery, which could

not but inure to the benefit of the fishermen, it became necessary to adopt measures to that and in carrying out a careful administration of provident rules and regulations in this regard.

It was therefore decided to limit the licenses where it was regarded that the number reasonably allowable, compatible with profitable results and rational protection, had been reached, hence, it was deemed expedient, under such conditions, to, as much as could be, restrict the business to canneries already established, and incidentally to encourage and turn the attention of the operators to the export of live lobsters, a branch of the industry which has been shown to be capable of producing very much larger returns to all concerned.

In dealing with applications for licenses for lobster canneries, the issue of new licenses has been avoided, unless peculiar and exceptional conditions obtain, and in the category of new applications is included requests for the reopening of disused canneries in which operations have been closed for a period of two years and over.

I believe I need scarcely assure you that in adopting such a policy the department was solely actuated by a desire to so adjust the interests involved as to effect as much protection as possible consistent with a minimum amount of restriction to an established and legitimate industry, but I am sure you will readily appreciate the difficulties which necessarily surround all such attempts, when dealing with fishing interests, which are so susceptible to varying conditions.

To that part of the letter I do not think any one can take exception otherwise than that it leaves too much latitude to ministers, which may lead to abuse, as in this case. That is the definite policy of the government—not brought down in an Order in Council, but just as rigid—and should be just as strictly enforced as an Order in Council would be, to prevent illegal fishing on the Atlantic coast with regard to lobsters. He goes on :

In explanation of the authorization of two new lobster canning licenses on the eastern coast of Prince Edward Island, I may say that after carefully considering urgent representations, I recognized the fact that under the circumstances, the fishermen of the particular locality, were placed at a great disadvantage by reason of a practical monopoly by lobster packers, who fixed the prices to be paid for the lobsters and compelled the fishermen to supply them on their terms.

The fishermen then appealed for authority to pack the lobsters actually caught by them, as a remedy against being coerced to dispose of them at the packers' own prices, and with some reluctance, in the light of the general policy above outlined, I consented to grant such relief ; but only on condition that they should organize themselves into a proper company, satisfactory to the department, for such specific purpose, when two licenses, and two only would issue.

The effect of this concession, you will observe, in no way operates to increase the number of lobsters actually taken in the locality, nor does it increase the number actually packed there ; but merely enables certain fishermen to themselves put up their own catch, instead of selling it to the packers, on terms dictated by the purchasers.

Hence, as the primary object of the regulations is to conserve the lobster fishery for all parties concerned, it would seem that in this special case, the interest of the fishermen have been accommodated without involving any unnecessary increase to the packing or catching power of the canneries or fishermen of the district.

Yours faithfully,
(Sgd.) R. A. PREFONTAINE.

A. A. Lefurgey, Esq., M.P.,
House of Commons.

This was the communication I received from the Minister of Marine, and as I was not satisfied that the hon. minister had made out a case justifying such a departure from an avowed policy, and as I had been down to Prince Edward Island and made some inquiry into the matter, I was obliged to put several questions on the order paper. On April 28th, I put certain questions to the Minister of Marine and Fisheries on this subject :

1. Have any new licenses been granted for the establishment of any new lobster canneries in Prince Edward Island, other than the two mentioned in an official letter of the hon. the Minister of Marine and Fisheries, dated April 22nd, 1904 ?

To this the minister answered, ' No. '

2. If so, what is the location of the same, and the names of the persons to whom granted ?

Answered above.

3. What applications have been received for reopening of the canneries closed for two years, and the names and locations of same ?

3. William Moore, Wood Islands ; William Sudsbury, Sea View ; William Adams, Sea View ; John T. McKay, Sea View ; Arnold Malone, Miscouche.

I knew of several of these cases, these being men who had been engaged in the business of lobster packing. I knew their applications had been in, and they had been endeavouring for some time to reopen canneries that had been running before. But it was evident from the answer of the minister that these men, who had been engaged in the business of lobster packing and whose livelihood depended on the business, had not been allowed to reopen in these places even though the lobster packers there were not within twenty-five per cent of what they were along the eastern shore of King's county, where they had granted two new licenses.

4. Have any been granted ; and if so, what are the names and localities ? If not, is it the intention of the government to reopen any of these ?

4. No license have been issued for any of the canneries referred to in the answer to question No. 3.

Well, Mr. Speaker, I considered in view of the knowledge I already had of these cases, and of the knowledge I gained on my trip to Prince Edward Island a month ago, that there was a manifest injustice and unfairness in the action of the Minister of Mar-

ine in refusing to open these factories when he allowed the opening of two new lobster factories in the part of the Island to which the petition refers. On the same day I asked another series of questions :

Referring to an official letter from the hon. the Minister of Marine and Fisheries, dated April 22nd, 1904, the following statement appears :—' In explanation of the authorization of two new lobster-canning licenses on the eastern coast of Prince Edward Island, I may say that, after carefully considering urgent representations, I recognize the fact that under the circumstances the fishermen of this particular locality were placed at a great disadvantage by reason of a practical monopoly by lobster packers, who fixed the prices to be paid for the lobsters, and compelled the fishermen to supply them on their terms.

That was the passage I read from the letter of the Minister of Marine, and I was anxious to know, in view of that appearing as the reason for the establishment of these two lobster factories where he had received his information. Therefore, in view of the expressions 'practical monopoly' and 'urgent representation,' I asked also :

1. What is the usual arrangement between lobster fishermen and packers with regard to prices paid and basis of payment ?
2. Do not packers arrange with fishermen at stated prices for lobsters delivered at factory ?
3. What was the price paid by the lobster packers in the section referred to in above letter of April 22nd, 1904, during the season the monopoly was complained of ?
4. What were the average prices paid in other parts of Prince Edward Island during the same season ?
6. What are the names of the fishermen who applied for authority to pack in this section ?
7. What are the names of the fishermen who were being coerced to dispose of their lobsters at the packers' own price ?

Now, this was a series of questions right in line with the paragraph I quoted from the minister's own letter. Therefore, I could not understand it when the minister replied to these questions that he had no information in the department, although it must have been on the basis of information in the department that he established two new lobster canneries. Yet, in answer to every one of these questions, without some information as to the subject of which neither he nor his department could have acted, he replied that he had no information in the department ;—no information as to the fishermen who complained of this monopoly ; no information as to the prices that were paid in that locality that would create a monopoly ; no information as to the prices paid in other parts of Prince Edward Island that he could compare with the prices paid there that he might judge whether monopoly prices were paid or not. When I was on the Island, I took the trouble to inquire as to the prices paid in the locality complained of and in other places in Prince Edward Island, and I found that the prices paid to lobster fishermen were practically the same as elsewhere and that the fishermen of that locality were earning as much money in the season as most of the other lobster fishermen on Prince Edward Island. Now, I asked him two other questions :

Where are the two factories mentioned in said letter of April 22nd, 1904, on the eastern coast of Prince Edward Island located or to be located ?

The answer to this was :

Only one license applied for at Priest's Point.

He referred to two in his letter, but one had been established last year and, the petition called for the cancelling of that license. The last question was :

What are the names of the parties to whom said two licenses mentioned in said letter of April 22nd, 1904, were or are to be granted ?

And the answer was :

One license to Hughes & Ryan.

In face of the minister's letter that there was a monopoly among the lobster packers in that section of the country, and that the minister with great reluctance was departing from the avowed policy of the government not to establish any new factories nor to reopen any old ones, and in view of his words that he was granting these licenses to open two new factories only on the application of a certain number of fishermen formed into a company to carry on this fishery, it seems strange to find a license granted to a supporter of the government in this House. The minister was not justified in allowing political influences to prevail or to prostitute the avowed policy of the government in relation to the lobster fishery in Prince Edward Island. I may say that the lobster fishery of Prince Edward Island, as along almost the whole Atlantic coast—in contradistinction to most of the other fisheries in Canada has not been progressing ; and the utmost care must be exercised in carrying out any policy that the government sees fit to adopt with regard to that fishery. A commission has been appointed and has been working on the problem of protecting the lobster fisheries for some years. In view of this serious state of affairs in the lobster business in Prince Edward Island, it seems clear that there has been a grave violation of the policy of the government, and, as I have pointed out, the minister has not seen fit to justify his case—for he declared that he had no information in the department that there was a monopoly existing. Therefore, he has clearly not justified his action in allowing an hon. member of this House to use his position to secure a license for himself in a locality which was already well supplied with lobster canneries, and which I can show, from information I have gained,

was not suffering from a monopoly, but in which the fishermen were being treated as well as anywhere else in Prince Edward Island. No complaint has been made of any of the lobster packers named in this petition, and those who signed the petition are employing the same number of men right along, and the hon. minister in putting forward such a plea as he did in the last part of his letter, in saying that the establishment of another factory would not tend to increase the number of lobsters caught and cause the employment of any more men along that shore is an absolute absurdity, because these same people are employing the same number of hands in that locality as they employed regularly for a number of years past, and the other factory is just filling in by an addition of five to eight boats a factory. The minister will see that the principle laid down in his department is violated by an action which, upon the face of it, bears the impress of a political favour to a member of this House, and he is putting the fishermen in that locality in a worse position than they were before, because all of this ground had to be allotted again amongst an added number of fishermen. The department by the establishment of two new factories, along a shore line where there were already sufficient, has cut off the catch of the men, whom he professes to be looking after.

From the information I have gained I find that from Cow River to East Point there were six factories almost evenly distributed, and that in all these factories so far as I can learn the prices to be paid to fishermen were arranged between the fishermen and the packers early in the season before any fishing commenced, so that the fishermen always knew the price they were to receive before they put their hands to a trap, and if they were not satisfied with the price they always had the option, and had plenty of time to make arrangements with other packers in any other part of Prince Edward Island.

Mr. J. J. HUGHES. Will the hon. gentleman tell me the prices paid in that locality ?

Mr. LEFURGEY. I am coming to that if my hon. friend will wait. As regards the statement that the fishermen ever asked for permission to pack their own lobsters, and that this permission was to be granted by the establishment of a proper company satisfactory to the government, the facts are that Mr. Hughes, M.P., formed a partnership with Mr. John Ryan, of Priest Pond, and this company is now employing four boats to fish the ground formerly occupied by one. They have now in this locality three factories all running full blast on the ground formerly occupied by one, so you can readily understand that the protection meant to be given to the fishermen of the locality was very poorly afforded when the Minister of Marine and Fisheries allowad two factories to be established on the ground formerly occupied by one. I asked several questions of different lobster packers in the locality as to whether any complaints had been made to them at any time during the past four or five years. They said that they had been packing lobsters for some 25 years past, and during all that time any fisherman or any one else was perfectly free under the Conservative government to establish as many factories as they pleased, but in all that time not one of their fishermen ever thought of establishing a factory. Under the Conservative policy of allowing any one to establish factories none of these fishermen wanted to establish factories. The number of factories then varied as the catch varied during different seasons. They also say that these fishermen had been with them during almost the whole period they had been operating along this coast. The coast line, they say, is fairly straight, and they have always divided the ground fished by the boats of different factories as defined by land marks, each fisherman operating on his own section exclusively and no one else being allowed to hinder him. I also inquired about this Mr. Ryan and what he had been doing. I found that he had been employed by one of the firms along this shore, I think Matthew & McLean, for quite a long time, and up to the very time he left their employment to go into partnership with J. J. Hughes, he had made no complaint to them about the price he was being paid by the people with whom he was employed. The price that has been paid along that coast has been $1.10 per 100 pounds for the fish, boarding the fishermen during the day-time, that is two meals per day, finding the traps, boats and everything that they require, giving each man as well, enough salt to salt his herring for bait and at the factories on the south side the fishermen earn from $2.50 to $2.75 per hundred pounds, the fishermen finding everything including traps, boats, &c. I wish to point out to the members of this House that the fishermen under these prices were making as much money as the average fisherman throughout Prince Edward Island. They were making from $150 to $170 per year and made more per man clear in each season by these arrangements, reserving so much ground for each 300 traps and allowing them to draw lots for positions.

I have given the House all the information I could get. I could get no more information from the Department of Marine and Fisheries than I have presented to the House and I am perfectly satisfied to leave it to the intelligence of the hon. the First Minister and the other members of this House whether the Minister of Marine, in his statement of the case as I have fairly presented it to the House, was justified in de-

parting from the avowed policy of protecting the lobster fisheries of Prince Edward Island, and in apparently using the Department of Marine and Fisheries in order to satisfy a political supporter of the party opposite. This is not the only department of the government which is being misused for the purpose of satisfying political friends.

We had an instance, only the other day where a department of the government, the Militia Department, which, possibly more than any other should be kept free from political partisanship, was most grossly misused by the hon. Minister of Agriculture (Mr. Fisher), who had no connection with that department, and who should, therefore, have not interfered with it at all. Now, we have this case in connection with the department of the hon. the Minister of Marine and Fisheries, who, while professing to have an established policy and to carry it out for the protection of the fisheries, has been guilty of almost as gross an abuse as that of which the hon. Minister of Agriculture has been guilty in connection with the Department of Militia and Defence. I want to say that if it is the policy of this government that no new cannery shall be established along the Atlantic coast or along the shores of Prince Edward Island, and that no old factories shall be reopened, we want the same treatment meted out to every private individual in Prince Edward Island, who wants to undertake the establishment of a cannery along these shores and to engage in the lobster fishery. In view of the fact that in this case an important departure from the avowed policy of the government has been made, that the name of an hon. member of this House is coupled with it and that throughout the length and breadth of the land for the past three or four seasons all applications for the privilege of establishing new canneries and reopening old ones have been disregarded it seems to me that this is a plain case of prostituting the policy of the department in favour of political partisans. Mr. Speaker, I beg to move that the House do now adjourn.

Mr. J. J. HUGHES (King's, P.E.I.). Mr. Speaker, as the hon. Minister of Marine and Fisheries (Mr. Préfontaine) is not present perhaps a word of explanation from me in regard to this matter may not be out of place. The hon. member for Prince (Mr. Lefurgey) is in the habit of taking up questions in this House that he does not very well understand ; in fact, I am inclined to think that if he only spoke upon the questions that he did understand he would not say so much. This is really a small matter and I am surprised that my hon. friend should have seen fit to bring it up in this House. However, as my name has been mentioned in connection with it I deem it my duty to give some explanation. In regard to the question as to whether or not a practical monopoly in the lobster canning business existed on this part of the coast I make this statement and it is a statement of fact: From a place called Black Bush, on the north side of the island, to Souris, on the south side of the island, a distance of between forty and fifty miles.

Mr. LEFURGEY. Black Bush to Souris or to East Point ?

Mr. J. J. HUGHES. Black Bush to Souris and around East Point. There were just two men interested in the canning business in that vicinity, namely, John McLean, a gentleman who will probably be my opponent in the next election, who has been nominated for that position, and his brother-in-law, Charles Sterns. Along that particular piece of coast some few years ago there were several factories. These people whose names I have mentioned had factories there. Factories were also owned by Messrs. Fred. Morrow, C. C. Carlton and Dennis Murphy. These factories were closed and in consequence of their closure, due to the regulation of the department against granting any licenses, these two men, the brothers-in-law, had about forty miles of coast line under their own operation. There was just one man, Joseph Pope, who had a small factory that he was running on his own account and these gentlemen were so determined to allow nobody to fish but themselves that they went opposite to his factory and set their traps. To show how the fishermen were complaining, the fishermen in that locality, a few years ago, knowing that they were getting unreasonably small profits for their industry, for the hard labour they were performing, organized a delegation which came to Souris, waited upon Mr. John McLean and asked him to allow them to go into partnership with him in the business. They catching the fish and doing nearly all the labour wished to participate to some extent in the profits of the business. They thought it would be better for him as well as for themselves because under ordinary circumstances the fishermen would take a greater interest in their work and have a greater interest in preserving the property. The answer of Mr. McLean to the delegation, according to my information from the fishermen themselves, was that if they were not satisfied with their position he could get other men to take their places. I wonder if the hon. member for West Toronto (Mr. Clarke), who is opposed to monopolies and all that kind of thing and who is a friend of the workingman, would approve of that kind of thing.

Mr. CLARKE. I was not paying much attention to the hon. gentleman, but I think it is a pretty fishy transaction.

Mr. J. J. HUGHES. Yes, it is a fishy transaction on the part of my political opponents. According to the statement made

by my hon. friend from Prince, the price paid in that particular locality per 100 pounds was $1.10. That is correct, but according to my information the fishermen had to board themselves although salt and bait were provided. According to my information, from the fishermen the ordinary price paid in other localities was from $1.50 to $1.75 per 100 pounds, the men having their board provided for them.

Mr. CLARKE. How about the salt ?

Mr. J. J. HUGHES. My hon. friend seems to think this is a great joke.

Mr. CLARKE. No, no.

Mr. J. J. HUGHES. Oh, yes, my hon. friend does. Under these circumstances the fishermen came to me and asked me if it was possible to get them a license to can their own catch of fish. I certainly approved of the proposition and tried to comply with the request. I think that if there are any men who ought to profit by this industry they are the men along that coast who do the labour, the men who have to do the actual work, rather than the merchants who live at other places and who have other means of making a living. I make that statement. I do not know whether my hon. friend opposite will agree with and endorse it or not. It is my opinion, at all events and it is the opinion of the fishermen in that locality as my hon. friend and my opponent will probably find out. I got a license under these circumstances for the McEacherns and McDonalds who formed a company last year and went into business on their own account. These men made twice as much money out of the business when they were canning for themselves as they had made before when they were fishing and allowing other people to can their lobsters. This year Ryan, to whom my hon. friend refers, and McPhee were going to organize another company and they applied for a license to can their fish.

My esteemed friend, the gentleman who will probably be my opponent in the next election and who has a practical monopoly of that coast line, prevailed upon McPhee to withdraw from the business and not go into partnership with Ryan. Under these circumstances Ryan was not able to proceed with the business alone, and he came to me and I agreed to go into partnership with him rather than that it should fall through. That is my connection with the matter, and I am not ashamed of it. I am not ashamed to go before the fishermen of Prince Edward Island, and the fishermen of the eastern part of King's county and explain the transaction. I understand from Ryan that he is doing well, and if there are some four boats fishing on the ground where only one fished before, he must be fishing a larger area. To show you how the friends of the hon. gentleman opposite have tried to establish a monopoly on this part of the coast line, I may say that when Ryan was prepared to put out his lobster traps and rope opposite his own cannery last spring ; Mr. John McLean, who has prompted my hon. friend (Mr. Lefurgey) to bring up this question and who has given him all the information which he possesses—although he does not very well understand it yet—

Mr. LEFURGEY. I beg the hon. gentleman's pardon. Mr. John Maclean did not give me the information which I possess. I took particular care to get the information from reliable men from Souris and Charlottetown ; people that the hon. gentleman knows well possibly, and they gave me the information when I was down myself.

Mr. J. J. HUGHES. I understand the question very well. Mr. McLean sent a large party of men to prevent Ryan by force from putting out his traps opposite his own factory, and Ryan was obliged to go some distance away from his own factory, because he could not raise a mob to protect him.

Mr. LEFURGEY. Where were all these oppressed fishermen that they did not flock to his assistance ?

Mr. J. J. HUGHES. Now then with regard to this petition which my hon. friend presented ; I was not present at the moment, and I do not know whether he read all the names or not.

Mr. LEFURGEY. I read all the names.

Mr. J. J. HUGHES. Was the name A. D. McIsaac on it ?

Mr. LEFURGEY. Yes. A. D. McIsaac was on it.

Mr. J. J. HUGHES. Well, A. D. McIsaac told me that his name was forged to that petition, and that he felt like taking proper steps to bring the parties who forged his name to justice. I believe the name of D. C. Leslie is on that petition ?

Mr. LEFURGEY. I do not recollect just now.

Mr. J. J. HUGHES. Well, D. C. Leslie did not write his name ; I know his handwriting and it is not his handwriting. I cannot say anything as to the other names, but these two I know of. Mr. McIsaac who is an honest respectable man gave me that information, and that will show you what value ought be attached to the petition and to the manner of men these are who would send this petition here. It would show the kind of men they are to use my hon. friend (Mr. Lefurgey) to present such a document into this House. So far as this fishery regulation is concerned I do not know that I altogether approve of it. In my opinion it is weak in this respect : that it limits the number of factories that may be established along the coast line, but does not limit the number of traps that may be

put in the water, and it is the traps that catch the fish and not the factories. The limitation of the number of factories without limiting the number of traps that can be put in the water would not preserve the industry. The two gentlemen who had a practical monopoly of that coast line were enabled under the present regulations to put down as many traps as they wished and consequently the issuing of these licenses to the fishermen themselves does not injure the industry. Now, these are the facts of the case, and again I regret that my hon. friend from Prince (Mr. Lefurgey) brought the matter before the House. I do not think he has gained anything by it; I do not think his friends have gained anything and I leave the matter there, for the present.

Mr. R. L. BORDEN. I do not think my hon. friend from East Prince (Mr. Lefurgey) brought the matter before the House for the purpose of gaining anything politically from it. He presented the matter to parliament for the reason that it concerns the public interest. As I understand it, certain regulations were made by the department limiting the number of lobster factories along the coast, and then certain exceptions were made for this locality which do not seem to have been applied throughout the island generally. Of course, it was very kind of my hon. friend (Mr. J. J. Hughes), if he has gone into this matter for motives of pure philanthropy, and I am sure we all rejoice to hear that Ryan is doing well, because if Ryan does well the hon. member (Mr. J. J. Hughes) will do well also. But, this would not seem to exactly coincide with the policy laid down in the letter from the minister. The minister says that the exceptions have been made in the case of fishermen desiring to catch lobsters, so that they may not be obliged to work for those who are engaged in the business of canning; and he suggests that the fishermen who desire to put up the lobsters should form themselves into an association. One would have thought that if there had been a large number of oppressed fishermen, they would have formed themselves into a company as directed by the Minister of Marine and Fisheries, but that does not seem to have been done. The majority of fishermen seem to be going on as they were before. I gather that one firm was formed last year consisting of Mr. McEachern——

Mr. J. J. HUGHES. There are several McEacherns.

Mr. R. L. BORDEN. At all events, there was one firm formed last year consisting of two fishermen, but this year only one of the oppressed fishermen on that coast was so dissatisfied with his own condition that he went into the business and my hon. friend from King's (Mr. J. J. Hughes) very kindly came to his relief and went into the partnership with him. That would hardly seem to indicate the distressful conditions of affairs which my hon. friend (Mr. J. J. Hughes) described to the House. Of course I know nothing about the signatures to that petition, but it is said to be signed by respectable men; men who are known in the community in which they reside as reliable men; men whose word is to be depended upon; and my hon. friend from King's will see that if this petition really has been signed, the statements it contains would amply justify my hon. friend from Prince (Mr. Lefurgey) in bringing in to the attention of the House. In the first place, they refer to the granting of licenses in a manner which amounts to an abuse, and then they go on to say that there was a regulation of the department that no more fishing licenses would be granted upon Prince Edward Island.

Mr. J. J. HUGHES. My hon. friend will notice that there is not one fisherman's name on that petition; they are canners.

Mr. R. L. BORDEN. I don't attach very much importance to that either one way or the other if they are respectable men.

Mr. J. J. HUGHES. Their interests are the other way.

Mr. R. L. BORDEN. What these men set out, is that certain regulations have been made but have not been adhered to, and that the departure from these regulations can only be described as an abuse. I do not pretend to be as familiar with the facts as my hon. friend (Mr. J. J. Hughes) I am merely drawing his attention to this for the purpose of showing that there really is something before the House for discussion. Then the petition continues:

> Last season through the influence of Mr. J. J. Hughes, M.P., for this county, a fishing license for packing lobsters was granted to Mr. McEachern, of Black Bush, thereby opening a new factory between that of Mr. A. D. McIsaac and Messrs. Matthew and McLean.
>
> This season we understand that Mr. Hughes has gone into partnership with Mr. John Ryan, of Priest Pond, and is securing for another license for packing lobsters between Matthew & McLean's factory and Donald Leslie's, Campbell's Cove.
>
> We consider this action on the part of the department very unfair, and we should either have licenses for every person that asks for them for packing lobsters, or else the Order in Council should be adhered to.

The point of the petition, as I understand it, is that there should be regulations and that these regulations should be adhered to, or else depart from the regulations altogether and leave the field open to every one. You should not have regulations which are broken by means of influence such as that described in the petition. The petition continues as follows:

> Before these latter licenses were granted, there were five factories from Black Bush to East Point in a distance of eighteen miles, and

if these two factories are allowed to run, it will mean seven factories in a distance of eighteen miles on a straight shore.

We trust therefore that your department will see fit not to grant any license to Mr. Ryan, and that the license of Mr. McEachern will be cancelled—

That is one alternative. That alternative contemplates an adherence to the regulations of the department. The other alternative is certainly a fair one, and it is as follows :

—otherwise that all fishermen applying for license for packing lobsters shall be granted.

My hon. friend cannot see anything very unfair in the two alternatives ; they are perfectly plain and straightforward, and I should think in the public interest. This petition has been signed by men who purport to be lobster packers ; Mr. C. H. S. Sterns, Messrs. Matthew & McLean, Mr. Donald C. Leslie—my hon. friend, I think calls in question his signature.

Mr. J. J. HUGHES. It is not his handwriting.

Mr. R. L. BORDEN. It does not make any difference whether it is his handwriting or not. If he authorized any one else to write his name, it is the same as if he wrote it himself. The other names are : Mr. James W. Dingwell, Mr. Edwin McFarlane, Mr. H. D. McEwen, Mr. Angus D. McIsaac, Messrs. A. A. McDonald Bros., Mr. W. W. Jenkins. While not professing to have a very exact knowledge of the facts or the conditions with reference to the lobster fisheries in Prince Edward Island, I think, under the circumstances which have been disclosed by my hon. friend from East Prince, he was amply justified in bringing this matter before the House.

Mr. LEFURGEY. I would like the hon. member for King's to understand that I had no personal object in bringing this matter up. I do not bring matters up in the House from personal motives. The fact that the hon. member's name is unfavourably connected with a matter of so much importance to the fishing industry of Prince Edward Island is his own misfortune, and not my fault. The petition was sent to me, and I was asked to look into the matter and bring it up in this House. I have only done what the hon. member would himself do if his constituents sent him material that contained charges of such a nature as this one. I am glad that the hon. member feels the seriousness of the position he has got himself into, and I think hon. members will agree with me that in presenting this case to the House, I did it fairly and squarely, upon the information which I had from the Department of Marine and Fisheries and the information which I gained with regard to the industry from those engaged in it in Prince Edward Island. If the hon. Minister of Marine and Fisheries has not given us information that would justify his departure from an avowed policy, the position of the hon. member for King's is that much more serious. The hon. member for King's has apparently put himself in the position that the hon. Minister of Agriculture is in with regard to Lord Dundonald's case. He is acting for the department to his own benefit. Instead of the department acting, it is delegating its powers to people who have no right to act, and who are very likely to act from motives that are not just in line with the policy of the government. As the Minister of Agriculture made a fatal mistake in introducing politics into militia appointments, so the Minister of Marine and Fisheries had apparently made Mr. Hughes, the member for King's, his deputy in the information he obtained in regard to this matter. The charge certainly comes home to the Minister of Marine and Fisheries, and it is his duty to clear himself. He has not the information in the department, and for that reason I think his action in this case was unjustified. My statements with regard to the prices paid for lobsters and the wages paid to the men were got from reliable men engaged in the fishing industry, and I gave them exactly as I got them from those people. The fact that only one fisherman is engaged in packing, of all those who were complaining of the monopoly in that part of the island, is sufficient to justify me in bringing the matter up ; and the fact that the hon. member for King's got the minister in this position, and went into partnership with one fisherman, is no justification for claiming a monopoly for the sole purpose of benefiting Mr. J. J. Hughes, M.P.

TORONTO HARBOUR.

Mr. E. F. CLARKE. I desire to draw the attention of the Prime Minister to the unsatisfactory condition of the equipment existing in connection with the navigation of Lake Ontario near Toronto harbour. The complaint made by mariners is that they find it very difficult, especially in foggy weather, to make the harbour at the eastern entrance because of the insufficiency of the appliances there. I have received a letter from Mr. Church, the solicitor of the Lake Ontario Navigation Company, inclosing clippings from the papers of Friday last, describing the difficulties the mariners have to contend with. These difficulties were accentuated during two or three days of last week when there was a great deal of foggy weather. The harbour could have been made if there had been sufficient fog signals and other appliances. With the permission of the House I will read a few lines taken from the 'World' of Friday last :

The fog nuisance, although somewhat abated yesterday, was still sufficiently in evidence to make trouble. The steamer 'Argyle' was the victim yesterday. With a crowd of 500 on board, being an excursion of the Presbyterian

Church of Cobourg, she was compelled to lie for about forty-five minutes within half a mile of the eastern gap, there being no sound from the bell located there to indicate her bearings. It is not stretching facts to say that practically the sole topic among marine men is the absurdly inefficient equipment for giving warning during fog.

The Richelieu and Ontario, St. Catharines, and Niagara Navigation Companies are all interested in this matter, and I would ask the Prime Minister to see that steps are taken to implement the apparatus, which is insufficient at present.

Sir WILFRID LAURIER. What do they complain of—the insufficiency of the signals or the insufficiency of the alarm ?

Mr. CLARKE. The insufficiency of the alarm.

INQUIRIES FOR RETURNS.

Mr. T. CHASE CASGRAIN. On the 30th of May last, an order of the House was passed for copies of correspondence in relation to the construction or improvement of the landing at Beaton, B.C., and also for copies of the letters of resignation of certain officers of the 9th regiment on the same day. These returns are not down yet, and I shall pass the list over to the right hon. gentleman.

LORD DUNDONALD'S SPEECH.

Mr. R. L. BORDEN. I would draw the attention of the right hon. gentleman to certain correspondence between the hon. the Minister of Agriculture and Col. Smart as well as Col. Whitley, which was referred to on Friday last by the hon. minister. That correspondence, I would suggest, should be laid on the table. We should also have any departmental correspondence on the same subject, some of which has been referred to and the contents stated to the House. It would be desirable that all this should be placed before the House. Two gazettes have also been referred to and their contents commented upon. We should have them as well, and I would suggest that all other documents bearing upon the incident, in connection with which these documents were mentioned, should also be laid on the table. The government should inform the House whether or not it was understood by the colleagues of the Minister of Agriculture that the name of Dr. Pickel had been struck off without the recommendation of the General Officer Commanding and what were the reasons for striking it off. It seems to me only proper that the House should be informed whether or not that fact was brought to the attention of His Excellency when the Order in Council was presented to him and whether or not he was informed of the reason why that name had been struck out. These are suggestions of mine and it will be for the government to take what action it may see fit. I make them in view of the duties prescribed in the statutes for the General Officer Commanding ; and I think, having regard to those regulations which have the force of a statute, that this is information which may not unreasonably be demanded by the House in case there should be any further discussion of the unfortunate incident to which I have referred.

Sir WILFRID LAURIER. My hon. colleague the Minister of Militia is not in his seat, but I have reason to believe that he is preparing correspondence for the further information of the House.

CONSIDERED IN COMMITTEE—THIRD READING.

Bill (No. 42) respecting the Sprague Falls Manufacturing Company, Limited.—Mr. Henderson.

CEDAR RAPIDS MANUFACTURING AND POWER COMPANY.

Mr. M. K. COWAN. I would like to say that the solicitor who resides in Montreal, after this Bill was reported, made the statement that he did not understand the committee to have adopted the Bill in the form in which it is submitted to the House. In view of that slight misunderstanding, I would ask that the Bill be referred back to the Private Bills Committee in order to give him an opportunity of being heard.

Motion agreed to.

THE WEST CANADIAN COLLIERIES, LIMITED.

House in committee on Bill (No. 80) respecting the West Canadian Collieries, Limited.—Mr. Oliver.

On section 4,

Mr. R. L. BORDEN. I do not know whether the attention of the government has been directed to the very comprehensive powers included in this clause, but they are a little unusual. We have coal mining, smelting, the operation of open hearth steel plants, bridge construction, machine shops, manufacture of the products of coal, farming and stock raising, dealing in shares and securities of other concerns carrying on similar business, construction of houses, churches, schools, hospitals and other buildings—but as that is limited by the clause 'for the use and benefit of workmen' and so on, it may not be objectionable—acquiring real and personal property, easements, hydraulic properties, patent rights, plant, machinery and so on in connection with the works ; manufacture, use and supply of electricity, water, gas and electric, hydraulic compressed air or other power—it may be all right, but it seems rather comprehensive.

Mr. FITZPATRICK. The Bill is rather of an unusual character, because it purports to confer powers upon a company created under the English Act, and which remains for the future beyond our legislative control. I confess that when I first looked at it, I thought we were giving this company more extended powers than were provided for in the articles of association. But I have had the Bill examined, and I find that the powers granted are in accordance with the articles of association and are, as I am informed, identical with the powers which the company now possesses.

Mr. R. L. BORDEN. I do not quite understand why we need to give the company these powers if it already possesses them under its memorandum and articles of association. It seems inconvenient that we should confer upon this company the same powers conferred upon it by its articles of association, and, at the same time, we expressly stipulate that it shall be enabled to amend its constitution without reference to this parliament and in accordance with the Companies' Act of Great Britain. I have not worked out the effect of this, but it seems to me it might lead to awkward consequences. I do not know whether my hon. friend from Alberta (Mr. Oliver) who has charge of the Bill has communicated with the promoters on that point, but it seems to me a little dangerous to give to companies differing powers derived from a double source. In my own province of Nova Scotia we have had some companies which were constituted by the Act of the legislature of Nova Scotia and which, when they wanted wider powers, secured charters from the government of Canada. If there is the slightest variation in the powers granted by the two different authorities, it is exceedingly difficult to tell what the precise powers are. I think the promoters should be careful, in their own interest, to see how far this goes. You have perfectly plain sailing if you do not attempt to give powers here that are not contained in the company's memorandums and articles of association. But if you vary from that, you are almost sure to get into trouble.

Mr. LOGAN. What is done in the case of subsection (f) ?

Mr. DEPUTY SPEAKER. The words 'and the business of general merchants,' are struck out by the committee.

Mr. LOGAN. It seems to me that the hon. leader of the opposition is right in suggesting that this is rather dangerous legislation. We are giving powers in this Bill that we are denying every day to Canadian companies—I think there is no doubt about that. It is, in effect, a suggestion to promoters who desire to get larger powers, and cannot get them from this parliament, to become incorporated under the English Act, and then, when they come here we merely pass in review, as it were, the powers they have received, giving them by confirmation powers that we would not give in the initiative. Of course, there may be a great deal of this legislation in Canada, but this is a very striking instance of our giving exceedingly broad powers ; and, as the leader of the opposition says it is rather confounding matters to have this joint or confirmatory legislation.

Mr. FOWLER. It seems to be rather absurd to give to a colliery company power to become a stock-raising concern. We are striking out the words that give them the power of going into the business of general merchants, but it seems to me it would be more reasonable to give them power to do business as merchants than to go into stock-raising, for they might want to do business in connection with carrying on their collieries. I fail to see why they want powers for stock-raising.

Mr. COWAN. They own large areas of land in the western country and to use that land they require these powers.

Mr. FOWLER. I have no doubt they want all that is asked for here, but it does not seem to me in accordance with the rules that have heretofore obtained in this parliament to give a company the very extensive powers that it is proposed to give to this one.

Section agreed to.

On section 5,

Mr. FOWLER. This is pretty broad. It does not say that these various works shall be only in connection with the company's collieries. It lays it down broadly, and the works enumerated might be works of a general character entirely separate and apart from the object of the company.

On section 14,

Section 18 and such other provisions of the 'Companies Clauses Act' as may be inconsistent with the provisions of the 'Companies Acts, 1862 to 1890,' of Great Britain, or of any statutes of the imperial parliament in amendment thereof, or in substitution therefor, shall not apply to the company.

Mr. R. L. BORDEN. This is a very remarkable clause : it involves the necessity of comparing our Companies Clauses Act with the Companies Clauses Act of Great Britain and with any Acts that may be passed in the future in amendment of that Act by the imperial parliament and of thus ascertaining whether the conditions of the one are consistent with those of the other. It is the most remarkable clause I ever observed in any Bill brought before this parliament. I think the whole Bill ought to receive more careful consideration by the government than it appears to have received. I have done my duty in calling attention to

it. I do not believe this Bill in the present form will be in the interest of the country or of the corporation itself. You have some amendments evidently made to its powers as granted under the Companies Act of Great Britain. I would think the best way to deal with a corporation of this kind would be to let it act under its powers as originally created. It can be constituted under the Companies Act of Great Britain with powers to operate a business in this country. Then, if it requires for its undertaking in Canada any powers, such as the expropriation of land, the building of railways, &c., this parliament might very reasonably afford such powers to it.

Mr. FITZPATRICK. I have not had my attention especially directed to this Bill, and it seems to me that if this were the first departure we should hesitate before going further. I remember, however, that last year we put through a Bill somewhat on the same lines. I would like to suggest to the gentlemen responsible for this Bill the question whether they have considered that under our Companies Act provision is made for the incorporation of foreign companies with all the powers which such companies possess so far as not inconsistent with our own Act. It seems to me that might all have been done under the ordinary Companies Clauses Act without coming before parliament at all, and I quite appreciate that when it comes before parliament it should be dealt with with considerable care. Under the circumstances I would ask that the committee rise and report progress so that I may have an opportunity of looking into the matter further.

Mr. R. L. BORDEN. I would think that for the construction of a small branch of railway, the power of expropriating land, the erection of a telegraph line, &c., the company might desire some legislation here, and I would not object to giving those powers, but it does not seem to me that the Act has been drawn up on a very scientific or logical basis. It mixes up the powers conferred by this parliament with the original constitution of the company, and then in the very last clause, which we are now considering, it calls upon those who seek to ascertain the powers of the company, to study this statute, the memorandum and articles of the company, the English Companies Act and all amendments to it, the Companies Clauses Act of Canada and to find out if possible from all of these what the powers of the company are. I should think that a good lawyer labouring 8 or 10 hours a day might possibly work out the powers of the company in 10 days or a fortnight.

Mr. WADE. Say 20 hours a day.

Mr. R. L. BORDEN. I am suggesting a very diligent and skilful lawyer, but it might take longer for most of us. Under these circumstances I would think it as well that those who are promoting the company should have a little care as to the form in which this Bill goes through parliament.

Mr. WADE. The gentleman who appeared before the Private Bills Committee stated that the members of the company reside I think, in France. They first went to London and sought incorporation, but then they found that would not serve the whole of their purpose, and they wrote to instruct this solicitor to get a charter here. We made a great many suggestions to him as to the manner in which he might proceed but of course he was in the awkward position of not being able to communicate with his clients as they resided at so great a distance. The committee dealt with the Bill in the best manner they could.

Mr. CASGRAIN. I would like some one to explain to me what that last clause means. Nobody seems to know what it means, and I do not think this parliament should pass a clause of that kind without some explanation being given. Section 14 reads :

> Section 18 and any such other provisions of the Companies Clauses Act as may be inconsistent with the provisions of the 'Companies Acts, 1862 to 1890,' of Great Britain, or of any statutes of the imperial parliament in amendment thereof, or in substitution herefor, shall not apply to the company.

Mr. WADE. The meaning of that was this : The provision which was submitted to the committee was that no portion of the Companies' Clauses Act should apply to the promoters of the Bill, wanted their charter to be under the English Companies' Act. There was a good deal of discussion over it and it was framed in such a way as to provide that only such portions of the Canadian Companies' Clauses Act as are not inconsistent with the English Companies' Act, should apply ; so that only the English Companies' Act and the remainder of the Canadian Companies' Clauses Act, if there is any remainder, shall apply to this Bill.

Mr. R. L. BORDEN. It seems to me to bring in any future statutes of the imperial parliament.

Mr. FITZPATRICK. Yes, it would.

Mr. WADE. The head office is in London and they wanted to carry on their business from London. At least that is what was represented to the committee. It was represented that they were organized under the English Companies' Act and they did not want to be subject to two Companies' Acts. We did not think it made very much difference one way or the other.

Mr. CASGRAIN. I would call the attention of my hon. friend the Minister of Justice to this clause. It seems to me that this parliament should not pass such loose legislation as is proposed by this Bill. Who

is going to interpret the clauses of our Act, compare them with the clauses of the English Companies' Act, 1862 to 1890, and say where they are inconsistent? Is it going to be liable to the interpretation of the court, and is this company going to get from this parliament powers which are certainly not defined in this Bill? It seems to me that we are going very far in the matter of private legislation and that the hon. Minister of Justice and government should take some care in seeing that Bills which are passed here in relation to private matters should be such as would be easily interpreted and not require the examination, not only of our own Acts in regard to companies but also of the English Act.

Mr. FITZPATRICK. My hon. friend (Mr. Casgrain) must be aware that the Minister of Justice is not responsible for private legislation. There is no principle better understood than that. I have no responsibility for drafting the private Bills that go through this House. Parliament is responsible for that, not the Minister of Justice. I am responsible for the legislation that I introduce into this House. If I were to be made personally responsible for all the private Bills that go through parliament it would be absolutely necessary for me to do nothing else.

Mr. CASGRAIN. I take a wider view of the scope of the duties of my hon. friend. I do not mean to say that he could be held responsible for all the private Bills which go before the private Bills committee, and which come before this House, but, on the other hand I say that he has the general supervision of legislation both public and private which comes before parliament and if his attention is drawn to any such flagrant mis-use of the powers conferred upon this parliament in regard to private legislation as seems to be included in this Bill, his duty, I respectfully submit, is to see that this legislation is properly curtailed and kept within bounds.

Mr. OLIVER. Mr. Chairman, as the Bill is standing in my name I would like to say that I have no objection in view of what has been said by the hon. Minister of Justice (Mr. Fitzpatrick) and the hon. leader of the opposition (Mr. R. L. Borden) to have the Bill reviewed either by the private Bills committee or some other special committee if it is thought necessary. But, I would like to point out that the Bill relates to an existing company, a company having extensive operations both in coal mining and railways, and as I understand the purpose of the Bill it is to combine under one name and under one organization several enterprises which are really the property of the same individuals who constitute this company. I did not follow the discussion very accurately but I would not wish whoever is reviewing the Bill again to think that this is only a question as between British legislation and Canadian legislation. It is not something which is merely a question of law. There is a matter of business to be settled. There is an existing company which has spent a very large amount of money in active coal mining operations and in the building of a short line of railway and the members of the company, having entered upon kindred enterprises in the vicinity, now desire to have all these enterprises amalgamated under one name and have a single set of powers.

Mr. DEPUTY SPEAKER. The Minister of Justice moves that the committee rise, report progress and ask leave to sit again.

Mr. OLIVER. What is the suggestion of the hon. Minister of Justice in reference to that?

Mr. FITZPATRICK. I would like to have a chance to look over this Bill not having seen it except hurriedly at the present time, and especially in respect to the amendments. I am, perhaps, somewhat slow of comprehension, and I like an opportunity of considering anything before expressing my opinion about it. I would like to have these amendments before me so that I may consider them. I do not agree with the view which apparently obtains in this House that a company ought to be granted for a special purpose only. I think that incorporation ought to be granted to companies for any purpose for which parliament wishes to confer powers on them. I fail to understand the reason of the rule which has apparently been adopted up to the present time, but I would not endeavour to press my personal view as against the view of the House upon that point.

Mr. OLIVER. Is it understood that when the committee rises and reports progress, the hon. Minister of Justice shall take the responsibility of reviewing the Bill?

Mr. FITZPATRICK. Yes.

Motion agreed to, and progress reported.

THOMPSON RIVER IMPROVEMENT COMPANY.

House in Committee on Bill (No. 79) to incorporate the Thompson River Improvement Company.—Mr. Morrison.

On section 12,

Mr. GALLIHER. Was this section expunged in the Private Bills Committee?

Mr. COWAN. Yes.

Mr. GALLIHER. Why?

Mr. COWAN. Very strong objection was taken by some members of the committee who are familiar with the business of this company, and who are engaged in similar business themselves. We thought the whole matter was covered by section 11, and so clause 12 was stricken out and the tolls

would have to be submitted to the Governor in Council where all parties could be heard.

Mr. GALLIHER. Does not the Columbia River Improvement Bill of last year, contain a clause similar to this clause 12 ?

Mr. COWAN. Yes, but we thought that section 11 was all that was required.

Mr. GALLIHER. The result is that before tolls are charged by this company they have to go to the Governor in Council and get them approved.

Mr. COWAN. Yes.

Mr. FITZPATRICK. Would my hon. friend point out where we get jurisdiction at all in this matter ?

Mr. COWAN. That question was debated at considerable length in the committee. My own view was that the jurisdiction was entirely in the province, but the majority thought that as we had been conferring similar powers on other companies we should do so for this company.

Mr. FITZPATRICK. I am disposed to consider that it is not within our power to pass this Bill.

Mr. COWAN. That is the view I held at first.

Mr. FITZPATRICK. I cannot see anything in the Bill which shows that it has reference exclusively to navigable waters. It is not because we passed the Columbia River Bill yast year that we should pursue the same course this year. When we were passing that Bill last year, it occurred to me that we were going beyond our powers.

Mr. FOWLER. This river is navigable.

Mr. FITZPATRICK. How far is it navigable ?

Mr. FOWLER. For nearly two hundred miles.

Mr. WADE. We held that it was a navigable river, and that it was necessary to come to this parliament. The only question in my mind was as to whether they should not go to the provincial parliament as well.

Mr. R. L. BORDEN. Was any information given to the committee as to whether this river is navigable at the point mentioned in the Bill ?

Mr. FOWLER. This river is navigable for nearly two hundred miles of its length. The Kamloops lake is navigable; the town of Kamloops is situated at the confluence of the North Thompson and South Thompson rivers. And the North Thompson is navigable for quite two hundred miles. It was necessary to come here and get these rights, and I may say that an application has also been made to the provincial legislature.

Mr. FITZPATRICK. There is a clause here which gives power to blast rocks and remove shoals and other impediments. It is quite clear that it has reference to some part of the river that is not navigable.

Mr. COWAN. In order to place the position of the committee before the House, I wish to say that the majority of the committee were firmly of the opinion that this parliament did not have exclusive jurisdiction. The Bill deals with tributaries and with branches which are not navigable. We felt that we did not have the right to give power to attach the booms to the shore ; and that that was entirely within the jurisdiction of the province.

Mr. FOWLER. I know of my own knowledge that the river is navigable for at least two hundred miles, and that steamers ply on it.

Mr. FITZPATRICK. It turns on a question of fact.

Mr. FOWLER. That is a matter of fact. Steamers in which I am interested have ascended the river for one hundred and fifty miles from where it joins the South Thompson up towards its source, and therefore it was necessary to come to this parliament. An application has been made to the provincial parliament as well.

Mr. R. L. BORDEN. Very likely it is a case in which the complete carrying out of the undertaking would involve legislation from this parliament, as well as from the provincial parliament.

Mr. FOWLER. I think so.

Mr. WADE. We discussed that point, and I was of that opinion ; but it seemed to me that if the parliament of Canada had any jurisdiction at all in consequence of this being a work which would obstruct navigation, that then the attaching of booms to the shores would be a purely incidental matter and this parliament would have jurisdiction.

Mr. R. L. BORDEN. I would doubt that a little.

Mr. FITZPATRICK. My hon. friend (Mr. Fowler) can take his Bill and the risk with it.

Bill reported, read a third time and passed.

QUESTIONS.

CANADA-MEXICO STEAMSHIP SERVICE.

Mr. RALPH SMITH asked :

1. In the contract establishing steamboat services on the Pacific and Atlantic oceans between Canada and Mexico, is it the intention of the government to insert therein any provisions retaining to the government control over the freight and passenger rates ? If so, what will be the nature of such provision ?

2. If there is to be no such provision, is it to be left to the contracting company to charge such rates as it chooses ?

3. What precaution, if any, is to be taken to prevent the companies combining with other companies (by land or water), so as to prevent the country, in return for the subsidy, obtaining the benefit of competitive or reduced rates ?

Rt. Hon. Sir RICHARD CARTWRIGHT (Minister of Trade and Commerce). A clause will be inserted in the contract my hon. friend refers to, giving the government control over the rates. That answer applies to questions 2 and 3 as well.

GEOGRAPHY OF CANADA.

Mr. CASGRAIN asked :

1. At what date was the book 'Geography of the Dominion of Canada' issued by the Department of the Interior ?

2. Where is the said book distributed ?

3. If it is distributed abroad, in what countries ?

4. How many copies have been issued and distributed ?

5. Is it distributed to the schools in Canada; and if so, what schools ?

6. Has the said book been translated into French ?

Right Hon. Sir WILFRID LAURIER (Prime Minister).

1. April the 8th, 1904.

2. In the United States, Great Britain and Canada.

3. Great Britain and the United States.

4. 100,000 copies.

5. Copies are sent to school children in Canada on their applying for them. There has been no general distribution to the schools.

6. Yes. So soon as the French edition is available, it is intended to extend the circulation to France.

THE FISHING BOUNTIES.

Mr. LEFURGEY—by Mr. Hackett—asked:

1. On what principle are bounties paid to fishermen in the maritime provinces ?

2. Why are not fishermen engaged in the lobster fishery allowed to participate in the bounty, as well as those employed in other branches of this industry ?

Right Hon. Sir WILFRID LAURIER (Prime Minister). The bounties are distributed in accordance with the statute passed in that behalf.

SOUTH AFRICAN WAR PENSIONS.

Mr. ANDREW BRODER moved.

For copies of all correspondence between the government and any person, or persons, in reference to the granting of pensions to those of the Canadian South African contingents who were wounded or suffered any disability in such service.

Mr. RALPH SMITH.

He said : Mr. Speaker, I wish, if possible to find out whether or not the government has settled on any policy in reference to these men. Those who have suffered disability are in receipt of small pensions from the British government ; but that pension is altogether inadequate for their maintenance, particularly in the cases of serious disability. I do not wish in any sense to detract from the claim set up on behalf of any man who participated in that war when the whole world was jealously watching every movement of England and wishing the success of her enemy's arms. The men who went out from Canada to defend the empire on that occasion did a great deal for the furtherance of Canadian interests, not only in England, but in other countries. The benefit which Canada derived and is still deriving from the efforts of those men, voluntarily undertaken, and the personal sacrifices they made, should call forth the gratitude of the Canadian people, especially to those who suffered at the hands of the enemy. In my own county there is a young man who joined the ranks and went to South Africa, and became totally disabled by losing the sight of both eyes. I need not inform this House that I refer to Trooper Mulloy. Wherever the English language is spoken, the name of Trooper Mulloy is known ; and if it is not the general policy of this government to do something for every one who suffered a disability, there certainly should be some definite policy with regard to him. He receives at the hands of the British government 65 cents per day. He is a young man of more than ordinary ability. He is a young man who previous to his disability, was inspired with an ambition to make his mark in the world, and he is now going to college under great difficulties, having to employ assistance in his work in order to place himself in a position to make some sort of livelihood. I have known his family for many years, and they are a family whom every man in this House would respect if he knew them. Out of respect for the family I do not wish to refer to their financial position. I can say this, however, that there was a time when they were very well off, being well-to-do farmers. But circumstances have changed since then, and they are not as well off to-day as they were some years ago ; and, Sir, the responsibility will to some extent rest on this young man of maintaining his aged mother, with whom I think it is his intention to make his home while she remains here. If the government intend to do anything in this matter, it is high time for them to make some announcement of their policy. This young man, I believe, has drawn some $2,000 all told from the patriotic fund, which was subscribed by private citizens some years ago ; but that is not a fund on which the country has a right to throw any individual. The

country's gratitude ought to extend to these individuals. I do not suppose there is a country in the world outside of Canada which would leave these persons in the position in which they are to-day. I do not say that we ought to copy to the fullest extent the pension policy of the United States; but there is this to be said, that no American citizen suffers from having fought for his country's rights without receiving full recognition, no matter where he may live; and if we are ever to have a full and free Canadian sentiment in this country, we shall have to recognize the claims of men who are willing to step into the ranks and defend the country's interests when trouble is at her doors. It is all very well to discuss the question as to whether or not we have a right to have anything to do with the imperial wars, and all that sort of thing; but we cannot expect our citizens to stand on the threshold of their country's troubles and discuss who is right and who is wrong before they fight in her interest. If these young men had done that, Canada would never have benefited from their efforts in South Africa. I think this question ought to be put at rest by some announcement from the government to-day in reference to what they intend to do. I do not wish to prolong this discussion or to say anything that would offend the sensibilities of any man, but I wish to urge on the government the necessity and advisability of doing something in this instance.

Sir FREDERICK BORDEN. Last year my hon. friend spoke to me several times during the session privately with reference to this matter, and I informed him that I intended to bring it up some time during the session. At my request he postponed bringing the matter before the House, as I was in hopes that I might be able to give him some answer. I told him on the occasions when we talked it over that the pension list was being prepared by the imperial government, and I thought it wise to postpone consideration of any particular case until we could consider the whole. Unfortunately the matter was brought up by my hon. friend when I was not present, but that was no fault of his. He had postponed it at my request until nearly the end of the session, when I was called away and he had to bring it up in my absence. I have read the debate which then took place and I have had the pleasure of hearing what my hon. friend has said to-day, in a great part of which I entirely agree. There can be no question as to the nobility of the conduct of those representatives of Canada who served in South Africa. There are some reasons, which may be known to some hon. members of this House, which are known to my hon. friend at any rate, with reference to Trooper Molloy which should appeal specially and personally to me. However, in considering matters of this kind, we must proceed on general lines. It is not, I think, desirable that we should deal with individual cases except perhaps in very rare instances. The work of classifying and determining the merits of the applications which have been made for pensions by Canadians who served in South Africa has not even yet been completed. I should have said that the men who enlisted in Canada for service in South Africa were perfectly well aware that they entered into a contract with the imperial government to accept from it the same treatment as imperial soldiers received. The work of determining the list has been going on for two years. There are something like ninety provisional or temporary pensioners, that is pensioners receiving pensions for a limited period of time. There are something like twenty getting permanent pensions. The list is not concluded, but the result will probably be that there will be about thirty permanent pensioners and something over a hundred pensioners for a term, which may or may not be renewed according to the deserts of the special or individual case.

Mr. CLARKE. What authority is giving the pensions?

Sir FREDERICK BORDEN. The imperial government.

Mr. CLARKE. Is the Canadian government?

Sir FREDERICK BORDEN. No, that is not the arrangement.

Mr. CLARKE. I do not understand the reference to the lists not being completed.

Sir FREDERICK BORDEN. The question seems to resolve itself into this. We have a pension list in this country. We are paying pensioners who served in the Fenian raid. We are paying pensioners who served in the Northwest rebellion. Surely they deserve as much consideration as the men who served in South Africa. Surely the men who defended the integrity of the soil of Canada against the invader and put down rebellion within this country are entitled to as much consideration as those who served the army in South Africa. The logical result then is that we should apply the pension rate in Canada, but not more, to the men who are pensioned upon the British government and who served in South Africa.

Mr. R. L. BORDEN. There were some who received special treatment.

Sir FREDERICK BORDEN. None so far as I know.

Mr. BRODER. Oh, yes.

Sir FREDERICK BORDEN. I was not aware of that. However, the point I am going to make is this. In whatever we do we must proceed upon the same lines as we have proceeded upon in the past and apply

the same rules, and I am quite willing to do that. If it should turn out that the pensions which the men who have served in South Africa are receiving is below the Canadian pension, I should say we should do exactly as we did in the case of the pay. The House will remember that the parliament of Canada supplemented to the Canadians who served in South Africa the difference between the imperial rate of pay and the Canadian, and upon the same principle, I would be disposed to make up to the South African pensioners any difference that there may be between the rate of the imperial pension and the rate of the Canadian pension.

Mr. R. L. BORDEN. What is the difference ?

Sir FREDERICK BORDEN. I am not able to say but I do not think there is any very material difference. I have made some inquiry, and I believe that the Canadian pension would not be materially if at all higher than the pension which Molloy is now receiving, but there would be a difference in some cases, and generally speaking I believe the Canadian rate of pension is slightly higher than the imperial rate. That is as much as I am able to say to-day, but as soon as the list is completed, I will look carefully into the case. The papers which my hon. friend has asked for will be brought down, and I hope, before the end of the session, to be able to make some explicit statement as to what will be done.

Motion agreed to.

STEAMSHIP LINE, CANADA AND FRANCE.

Mr. T. CHASE CASGRAIN (Montmorency) moved for :

Copies of all deeds, papers, documents, correspondence, &c., now existing in any department, and filed since the 15th of September, 1903, in relation to the contract executed in the course of last session, for the establishment of a line of steamers between Canada and France ; and to the subsidy payable for the said purpose ; or to any matter or subject connected with the said contract and the said subsidy.

He said : It will be remembered that when this question was brought up last year everybody was agreed that if a first-rate line were established between some port in France and a port in Canada, the commerce of this country would greatly benefit, and when the resolutions were brought down, granting $133,000 a year for ten years towards the establishment of this new line, it passed without a dissenting voice.

Now, it will also be remembered that, when the matter was brought up last year, it was stated by the right hon. leader of the House (Sir Wilfrid Laurier) that negotiations were being carried on with one M. Colombier of Bordeaux. And, when it was asked what references had been asked for in relation to M. Colombier's standing and financial ability, a telegram was produced from the British consul at Bordeaux saying that the House of Colombier was a respectable house, not of very large means, but quite able to grapple with the proposition that was at its door. It was suggested at the time, and my hon. friends on the other side were warned from this side, and warned very pointedly, that probably M. Colombier was not the prime mover in this scheme but that he was personne interposée and for the purpose of giving the contract to one Mr. Carbonneau. Now, Mr. Carbonneau had not enjoyed, up to that time, a very savoury reputation in Canada ; and I must say, that reputation has not been enhanced by his actions since in Canada or France. But hon. gentlemen opposite were very set, and declared that they did not know Mr. Carbonneau officially, but that all negotiations were being carried on with M. Colombier and not with Mr. Carbonneau. On several occasions my hon. friends on the other side were told by gentlemen on this side of the House that Mr. Carbonneau was really the person interested and that M. Colombier was only acting for Mr. Carbonneau. My hon. friend the Minister of Marine and Fisheries (Mr. Préfontaine) who I regret not to see in his place to-day gave us assurance in these words, which I quote from 'Hansard' :

On this occasion the government is taking every precaution to achieve success.

For, it had been pointed out that this was a third or fourth attempt to establish a line of steamers between France and Canada and it would be too bad if, on this fourth occasion, the scheme fell through. It was all the more important to establish a line of steamers between Canada and France because it was almost, if not quite, impossible to derive benefit from the Franco-Canadian treaty which had been entered into some time before, unless we had steamers plying between France and Canada. My hon. friend the Minister of Marine and Fisheries (Mr. Préfontaine) who came before the House with considerable data, and who seems to be the sponsor of this line and to have many friends amongst those who were connected with the enterprise, even went so far as to tell us that four ships were then under contract to be built and delivered by the 1st of April, 1904. I do not know where he got his information. It was precise information and, from it, it seemed that everything was ready so that these gentlemen not only could get the $133,000 that the contract gave them, but that this line of steamers would certainly be established for this season of navigation. Now, we find from answers which I had the honour of putting to the government, that very soon after

the end of last session if not while the session was still in progress, the contract given to M. Colombier was transferred to Mr. Carbonneau whom the government did not know officially. They had been warned, at that time, as I have said, that Mr. Carbonneau seemed to be the principal agent and principal factor in this scheme—the head pusher as my hon. friend from West Toronto (Mr. Clarke) suggests. The government ignored Mr. Carbonneau ; they did not know him officially. Yet, strange to say, almost immediately after the contract had been entered into between M. Colombier and the government that contract was transferred to Mr. Carbonneau. And what do we find further ? We find that Mr. Carbonneau afterwards transferred the contract to some company by the name of Le Transport Canadien, Limited. Now, the line has not been established. It is true that two steamers have made two trips from France to Canada. The first steamers sailed from some port in France—Bordeaux I believe, calling at St. Pierre et Miquelon Islands and coming as far as Halifax. Of that trip we have very little information. Another trip was made by a steamer called the 'Malou' which arrived out the other day from the port of Bordeaux at Montreal. Concerning this, we have more information. The vessel seems to have carried quite a number of passengers, but, if the information in the newspapers is correct, the steamer was not at all fitted for the service. In fact, the right hon. Prime Minister (Sir Wilfrid Laurier) in answer to questions that I put, said that it was not admitted by the government that by causing the sailing of this steamer to a Canadian port M. Colombier had fulfilled any of the obligations he had entered into under the law passed last session. Now, it seems, the government are in negotiations with the firm of Armstrong. How they have got into the game—because it seems like a game—I do not understand. I do not know whether Mr. Carbonneau, after transferring his contract to the Transport Canadien has transferred it to the Armstrongs. If current rumour is true, Mr. Carbonneau has transferred the contract a second time to the firm of Armstrong which is now in negotiation with the government. All this will appear in the papers which I ask to have brought down. I would ask the government also to bring down the contract which was entered into last year. It is not mentioned in my motion, but, if necessary, I would ask leave to amend my motion to cover that.

Sir RICHARD CARTWRIGHT. I think the hon. gentleman (Mr. Casgrain) will find that the contract has been laid on the table.

Mr. CASGRAIN. It was laid on the table, but I cannot find any trace of it in any of the departments of the House. I have searched all the offices of the House, but cannot find it anywhere. I applied to the clerk without success. Through some mistake, it seems to have been taken away and it is not available. Under these circumstances, if necessary, I will ask to amend my motion so that a copy of the contract may be produced with the other papers.

At all events I think it is in order for us to call the attention of the government to the fact that what we said last year is true, that the prime mover in this scheme was Mr. Carbonneau, and the government should have taken special precautions to see that he had nothing to do with the contract, especially that he should not be the principal person contracted with under the name of M. Colombier. Mr. Carbonneau is well known in this country. His reputation was made a good while before this contract was negotiated for. He was connected—as was pointed out—with an enterprise in Montreal which fell to the ground and which was one of the causes why La Banque du Peuple had to go out of existence. And his reputation was not bettered by anything he did on the other side, either in England or in France. And I know that before the end of the session and before the Bill actually passed, certain papers were handed over to my right hon. friend the leader of the House in which the past career of Mr. Carbonneau was exposed. Now, Mr. Carbonneau to-day is practically a fugitive from justice. He cannot go to France. He cannot set foot in England. He cannot come to Montreal, because a dozen capiases have been issued against him, and he will be arrested as soon as he appears in that city. He cannot go to the Yukon. So, here is a man who was pointed out to the government by hon. gentlemen on this side as the principal one with whom they were contracting. It was known to everybody except the government that Mr. Carbonneau was at the bottom of this scheme. All the ministers were blind to the fact, but almost everybody else in the House knew that Mr. Carbonneau was really the man ; and the evidence to prove that we were right in this assumption is that when the contract was passed between M. Colombier and the government, it was immediately transferred to Mr. Carbonneau. I hope the papers will be brought down as soon as possible, because, of course, this is a matter that must be fully ventilated in this House. I would ask permission to amend my motion by adding :

And also a copy of the contract executed between the government and M. Colombier.

Sir RICHARD CARTWRIGHT. My hon. friend, I think, will find that contract in the hands of some of the hon. gentlemen on the other side, but, of course, I have no objection in the world to the motion or the amendment.

Sir WILFRID LAURIER. As has already been stated by the hon. the Minister of Trade and Commerce (Sir Richard Cartwright), there is no objection to these papers being brought down and they will be brought down immediately. My hon. friend (Mr. Casgrain) has thought it advisable to pass some strictures on the government because it was reported last year that Mr. Carbonneau was behind this project. This report was true; he was behind the project, but the government had nothing to do with him. It insisted on having all negotiations with M. Colombier, who belongs to a very respectable house. The report, as I say, was quite true, as I understand, but we had no official knowledge of the fact in the department. It has been reported, and I believe it is beyond doubt, that almost immediately after the contract was signed it was transferred by Mr. Carbonneau to M. Colombier, who transferred it to a company called the Transport Canadien. The government would not recognize this assignment. The criticism of my hon. friend (Mr. Casgrain) would certainly be entitled to great weight if it were shown that the government had had anything to do with Mr. Carbonneau and had been willing to recognize or to accept the assignments said to have been made by M. Colombier to Mr. Carbonneau and by Mr. Carbonneau to the Transport Canadien. But the government did nothing of the kind; the government held Mr. Colombier strictly to his contract, and I am sorry to say that we have been once more disappointed, and that M. Colombier has not been able to carry out his contract. The merely colourable attempt which has been made to implement the contract is one which cannot be entertained. So far as I know, only one ship has been sent out by M. Colombier, that is the ship to which my hon. friend has just referred, the 'Malou.' The 'Malou' left St. Malo on the 2nd of May. It touched at St. Pierre and Miquelon, where it left a large number of fishermen of the class who always come there especially to fish on the Grand Banks, then proceeded to Halifax, and I believe also went to Montreal and landed some immigrants.

Mr. LEMIEUX. And to New York also.

Sir WILFRID LAURIER. And to New York, so it is impossible to ackowledge that as accomplishing the agreement, and M. Colombier has been notified that his contract will be cancelled and all assignments made by him will not be recognized. The government has had some inquiries and some negotiations also with the firm of Armstrong & Whitworth, the large shipbuilding firm. These negotiations with the great firm of Armstrong & Company have not yet been completed, and if the firm of Armstrong, Whitworth & Company are willing to enter into a contract with us, I think we could do nothing better than enter into a contract with such a respectable firm as this. We would then have what we have so long wished to have, a service to France, which has not yet been obtained.

Mr. R. L. BORDEN. The government do not seem to have been very much more successful with this enterprise than with the fast Atlantic service, at least up to the present time.

Sir WILFRID LAURIER. No; it has baffled the efforts of many governments.

Mr. R. L. BORDEN. It seems remarkable that we should have a statement last session from the Minister of Marine and Fisheries that four ships would be completed by the spring of this year. It now appears that no ship has been even commenced, much less completed. When a responsible minister of the Crown makes a statement of that kind to parliament, and it has been so absolutely lacking in fulfilment, one would think my right hon. friend would think it worthy of some explanation when responding to the motion of my hon. friend (Mr. Casgrain). On what basis, on what authority, from what information, did the Minister of Marine and Fisheries make so extraordinary a statement to the House last year? It seems to me to be absolutely unheard of that such a statement should have been made in this House when it seems to have been absolutely lacking in any foundation whatever. One could hardly suppose the Minister of Marine and Fisheries would be so reckless in his statements to the House as to pass a remark of that kind without some authority or foundation for it, and yet we are not informed of any reason that he had for giving to the House so important a piece of information.

The right hon. gentleman says that the government did not know Mr. Carbonneau, although he believes the contract was assigned to him almost immediately after being entered into. Can it be true that if the government did not know Carbonneau officially, it really knew him practically, and was well aware that at the time that the contract was being made for his benefit, and with the intention that it should be assigned to him? That has been the current rumour, and if I am not mistaken it has been repeated more than once in the press. Under these circumstances, it hardly seems a justification to say that the government did not officially know Carbonneau if, as a matter of fact, a member of the government who has made important statements to the House on the subject did know and negotiate with Carbonneau and was aware that the contract was proposed to be assigned to him. However, when the papers are brought down we will have further information, and there will be further opportunity of discussion. In the absence of the documents to which my hon. friend (Mr. Casgrain) has referred, we have little information, and I should think that at some time

before the end of the session we might at least be favoured by the government with some information of the extraordinary statements to which attention has been called. Every one in this country would naturally suppose that by this time we would have had four steamships engaged in a profitable and advantageous trade between France and this country. Instead of that we have nothing accomplished and are exactly where we were last year, the government still continuing negotiations. The only difference between this and the fast Atlantic service seems to be that while the government is continuing negotiations in this case, it has absolutely abandoned negotiations in the other case. I am depending for that statement on the authority of the Minister of Trade and Commerce, who, I think, gives the House to understand that. How long will it be before the two enterprises are exactly on the same footing, namely, that nothing shall have been accomplished and no negotiations shall be in progress? Perhaps we might have a prophesy on that from the hon. Minister of Trade and Commerce (Sir Richard Cartwright), who, from his experience, will be well able to inform the House just how long it will be before the government will abandon negotiations, having accomplished nothing in regard to the service between France and this country.

Perhaps my right hon. friend the Minister of Trade and Commerce would not like to hazard a prophecy, but if any one in the House could give us any information upon that subject I would suppose that he should be called upon to do it. It is a pity the service has not been proceeded with. I assume that the government have taken it up on good grounds. I do not recollect all the data which was placed before the House last year but I recollect that I was impressed with the idea that service would be beneficial to this country and would build up some trade. It is therefore to be regretted that nothing has been accomplished and I trust that before the end of the session we shall have some further information about the negotiations, because, in matters of this kind, we have become so accustomed to the methods of the government that we feel that even when negotiations are going on we have not reached that hopeless condition in which the fast Atlantic service finds itself to-day.

Sir RICHARD CARTWRIGHT. The late government were negotiating for a long time for a fast Atlantic service.

Mr. R. L. BORDEN. And they would have accomplished something if this government had not interfered.

Mr. FITZPATRICK. With a big string to it.

Motion as amended agreed to.

LABOUR UNION LABELS.

House went into committee to consider the following proposed resolution:

Resolved, that it is expedient to provide for the registration of labour union labels, and to provide pecuniary penalties for the unlawful use of such labels when so registered. —Mr. Ralph Smith.

At six o'clock, committee took recess.

After Recess.

The committee resumed at eight o'clock.

On resolution of Mr. Ralph Smith.

Mr. FITZPATRICK. I do not wish to offer any opposition to this resolution at the present time, but I want it very well understood that I would like to see the draft of the Bill based on this resolution. I do not know if my hon. friend has considered the question as to how far an organization not incorporated may have a label which may be in effect a trade mark, because that is really what it is intended by this resolution to make a trade union label.

Resolution reported, read a second time, and agreed to on divison.

Mr. RALPH SMITH moved for leave to introduce Bill (No. 135) respecting labour union labels.

Motion agreed to, and Bill read the first time.

THE COMPANIES' ACT, 1902.

House again in committee on Bill (No. 75) to amend the Companies' Act, 1902—Mr. Cowan.

On section 1,

Mr. FITZPATRICK. This Bill is introduced for the purpose of removing a doubt suggested by the terms of section 5 of the Act as it now stands. That section provides for the incorporation by letters-patent of companies for any of the purposes or objects to which the legislative authority of parliament extends, and it then proceeds to say:

Except the construction and working of railways, or of telegraph or of telephone lines, or the business of banking and the issue of paper money, or the business of insurance, or the business of a loan company.

It is conceivable that this exception might be construed to cover the class of companies mentioned in the proposed subsection, although really it was not intended to do that. I quite agree that possibly a doubt may exist, and that it is desirable to remove that doubt, but I do not think my hon. friend has gone about it in the proper way. If he would pardon me, I would suggest that

that doubt should be removed by enacting provisions to the following effect :

The expression, 'the construction and working of railways, or of telegraph, or of telephone lines,' in section 5 of the Companies Act, 1902, does not include the acting as a contractor in railway or telegraph, or telephone construction ; and nothing in the said Act shall be deemed or taken to prevent or to have prevented the granting thereunder of a charter by letters patent constituting a company for the purpose of acting as such contractor.

2. The expression, 'construction and working of railways' in section 3 of the Companies Act, chapter 117 of the revised statutes, does not include acting as a contractor in railway construction, and nothing in the said Act shall be deemed or taken to prevent or to have prevented the granting thereunder of a charter by letters patent, constituting a company for the purpose of acting as said contractor.

I move that these clauses be substituted for the first clause of this Bill.

Mr. INGRAM. What does section 5 provide now ?

Mr. FITZPATRICK. The evident intention of parliament was to reserve for parliament the incorporation of companies having for their object the construction and the working of railways, or telegraphs, or telephone lines, and also companies incorporated to carry on the business of banking and the issue of paper money, and the business of insurance or the business of a loan company. The amendment would declare that a company could be formed for the purposes of contracting for the construction of a railway or of a telephone or telephone line. Instead of adopting the amendment suggested by the member for Essex (Mr. Cowan) I put in an interpretation clause so as to make it quite apparent that all we want to do is to declare that a company may be formed by letters patent, not to operate a railway or a telegraph, or a telephone line, but merely for the purpose of doing the contractors' work in building it.

Mr. INGRAM. A person requiring anything further than that would have to get a special Act of Parliament ?

Mr. FITZPATRICK. Yes.

Mr. BARKER. Now that the hon. Minister of Justice is proposing this very important amendment to a very important Bill, would he have any objection to allowing the committee to report progress, so that we would have time to consider his amendment ? I think what he proposes is reasonable, but still we ought to consider it.

Mr. FITZPATRICK. That is quite a proper suggestion, and I concur in it. My hon. friend from Hamilton had better move that the committee rise and report progress.

Mr. FITZPATRICK.

Mr. BARKER. I move that the committee rise, report progress and ask leave to sit again.

Motion agreed to, and progress reported.

RAILWAY ACT AMENDMENT.

House resumed adjourned debate on the proposed motion of Mr. Lennox for the second reading of Bill (No. 73) to amend the Railway Act.

Mr. LENNOX. I have already spoken on this matter. I presume the Minister of Justice will give his views.

Mr. FITZPATRICK. Since this Bill was under consideration before, I have looked into it further, and I cannot see that there is any difference between it and the Bill introduced last session by the hon. member for South Wellington (Mr. Guthrie). This Bill is somewhat different in form, but in substance it is the same, and it is subject to the objection I then urged, which was that the Bill was unconstitutional and beyond the powers of this parliament to pass. The argument in support of the constitutional propriety of the legislation, so far as it depends on the claim of jurisdiction, appears to be based on subsections 10 and 11 of section 92 of the British North America Act. I cannot see how it is possible for us, under any proper construction of that Act, to claim that we have jurisdiction with respect to railways beyond those matters affecting their construction, operation and management. I would like to draw my hon. friend's attention to a case which I do not think he mentioned, that is, the case of the Canadian Pacific Railway vs. the County and Township of York, where, at page 70 of the 25th volume of the Appeal Reports of Ontario, Chief Justice Burton says :

The railway in question is one of the subjects placed under the exclusive jurisdiction of the parliament of the Dominion, and it follows that in all matters affecting its construction, operation and management, including the expropriation of the lands required—everything, in fact, necessary to its full and efficient working—the legislation of the Dominion is of paramount authority, even though it interferes with property and civil rights, and trenches on matters assigned to the provincial legislature by section 92 of the British North America Act.

Again, the question was up for consideration in the case of the Canadian Pacific Railway vs. Notre Dame de Bonsecours, which my hon. friend will find in the Privy Council reports for 1889, page 367. There it was held that railway legislation, strictly so called, is the measure of parliament's jurisdiction. So far as complete provision for these purposes requires it, parliament has power also to deal with matters assigned to the local legislatures, but we cannot go any further than that. Under this Bill my hon. friend has in comtemplation a distinct in-

terference with a civil contract made in a province between an employer and an employee, and I think that the only way he could attempt for a moment to justify our interfering in a matter of that kind would be to deal with it as a matter affecting insurance or the regulation of trade and commerce. In the case of the Citizens' Insurance Company vs. Parsons, Appeal Cases, page 112, their Lordships say :

> Regulation of trade and commerce includes political arrangements in regard to trade, requiring the sanction of parliament, regulation of trade in matters of interprovincial concern, and may, perhaps, include general regulation of trade affecting the whole Dominion, but it does not comprehend the power to regulate by legislation the contracts of a particular business or trade (such as the business of fire insurance) in a single province.

Then Sir Horace Davey, in regard to the Dominion License Act, arguing, said :

> Regulation of trade and commerce means general regulations as applicable to trade generally, of what may be called, for want of a better word, a political character, that is, for regulating trade and commerce between the Dominion and foreign countries, or, for instance, for regulating the trade between the provinces themselves. But it does not include minute regulations affecting the terms and conditions on which persons carrying on particular trades are allowed to do so in particular localities.

It seems to me the passage of this Bill would be a distinct interference with the rights of the provinces with respect to the relations between the employer and the employee, a distinct interference with what I would call a civil contract within a province. On that ground I object to this legislation, as I did to the legislation introduced last session by my hon. friend from South Wellington.

Mr. CLANCY. Mr. Speaker, I do not understand that the object of the Bill of the hon. member for South Simcoe is at all to interfere with civil contracts. If I understand it, any railway company and the employees of that railway company would be just as free to make contracts after it became law as they are now. The only difference would be that the existence of a contract providing for an employee receiving aid from a railway company would not be a bar to any action brought by any employee of a railway company or his representatives. I do not know of any employment so hazardous as that affected by this Bill. And I do not know if any other class of workmen who are deprived of remedy against their employers in case of injury. Take for instance, the case of civil servants. The only conceivable ground really for taking away the right of action from these railway employees is the extremely hazardous nature of their employment, and are we to understand that the Minister of Justice takes the view that it is utterly beyond the powers of this parliament to give any relief to that class of men ? The hon. minister has not said that this is legislation which ought to be given by the provinces, and we must therefore presume that such is not his opinion. If it be not and the hon. gentleman is disinclined to give effect to any legislation here, what is to become of that class of men ? Are the people of this country disposed to compel these men to submit to this hardship, namely, that before they can receive employment in any railway company they must contract away their right or that of their legal representatives to take action against the company in case of damage. Does this mean that the great railway companies have taken possession of parliament ? The hon. gentleman laughs, but it means that or nothing. It means an utter disregard for this class of men. It means that they are singled out as no other class is by being compelled, before they can enter the employ of any railway company, even of the government railway, to sign a contract which will prevent them of their representatives from obtaining any relief, in case of injury or death, except such small insurance as they may be carrying, and for which they have to pay the premium themselevs. True the railway companies contribute a small sum, but that contribution would not amount to what an accident would cost in a year. I regret sincerely that in case of such hardship and gravity, the Minister of Justice should have made up his mind that here is no chance of legislating to relieve these men. The explanation has not been quite so elaborate or so clear as he has made with regard to other matters. He does not hold out to the persons seeking this kind of legislation the slightest hope of any relief. Even if they should go to the provincial legislature they cannot get full relief nor can they by applying to this parliament. I say I have witnessed this scene with a good deal of pain and with a good deal of disappointment.

Mr. HUGH GUTHRIE. I recognize in this Bill language very similar, and propositions very similar, to those contained in Bills with a similar object introduced by me last session and the session before last. This Bill is, perhaps, more radical than the Bills I introduced, as it absolutely takes away the right of the employee to contract himself out of liability. The Bill which I introduced on two former occasions left the right of contract but allowed the reasonableness of the contract to be decided by a court or a judge. Now, the great difficulty in the case is this : That no plaintiff so far, has had financial resources sufficient to get a decision from an Appellate Court. There are two judgments now upholding the rights of the railway companies but

they are only the judgments of trial judges. It may be that the case would be otherwise decided by the Supreme Court or the Privy Council; but it is not very likely that we shall have a plaintiff who is able to go that length. I would ask the Minister of Justice whether, having regard to the fact that there are some 25,000 or 30,000 railway employees, he would or would not be disposed to state the facts and submit a case to the Supreme Court for their opinion as to the constitutionality of the Act now before us. If the Ontario Act does apply, that is an end of it, and if it does not, then some legislation such as this, I think, might well be passed by this parliament.

Mr. G. W. FOWLER. I was not present when the Minister of Justice (Mr. Fitzpatrick) made his remarks with respect to this Bill, but I understand that his contention is that this parliament has no jurisdiction in the matter. The present state of affairs was created by the legislation passed by this parliament in 1874 and 1878. That is the way I understand it. That legislation gives the Grand Trunk Railway the authority to organize this insurance company and to make just such contracts as are being made. That being the case, surely this parliament has the right to regulate the legislation it passed on those occasions. It seems to me that the merits of the case are very strong so far as the employees are concerned.

Mr. FITZPATRICK. I did not touch the merits.

Mr. FOWLER. I understand perfectly that the Minister of Justice did not argue the merits of the case, but has simply given his view of the law. But the merits are so strong that, where there is a reasonable doubt—and I think there must be a reasonable doubt in the minister's mind—it seems to me he ought to allow this legislation to go through and then let the railway companies fight it out in the courts if parliament has not the jurisdiction. The number of railway employees in the country is very large and is rapidly increasing, and, if the Grand Trunk Pacific is carried through there will be many more. It seems to me that some relief is absolutely necessary. Look at the circumstances. A man goes into this employment which, as was stated by the hon. member for Bothwell (Mr. Clancy) is a hazardous one. His wages, while, perhaps, a reasonable return for his labour, are not large. He makes a contract with his employer—must do it in order to be employed—not to seek damages in case he is injured, no matter how much fault there may be on the part of the employer. And if he is killed his family is precluded from seeking compensation for loss of the bread-winner. This is an undesirable state of affairs and one which parliament should seek to remedy. This is the only place these people can come to for redress of their grievances, and this Bill is calculated to give that redress. It seems strange that this parliament, which controls the Intercolonial should, not, in this case at least arrange to have this obnoxious clause abolished, so that, when employees of the Intercolonial, if injured through the negligence of their fellow employees shall receive compensation for such injuries. The authorities are very clear. There is a case reported in 30, Supreme Court of Canada in which the chief justice gives his opinion that this contract can be enforced so far as the railway is concerned. We have here the judgment of the highest court of the land upholding this sort of contract. Therefore, the only way to get clear of it is by some such legislation as that proposed in this Bill.

Mr. FITZPATRICK. Is that Grenier vs. the Queen ?

Mr. FOWLER. Yes.

Mr. FITZPATRICK. That is a case I argued myself.

Mr. FOWLER. Yes, the case was argued by the Minister of Justice himself. It seems to me there can be no question as to what the judgment of the court was.

Mr. FITZPATRICK. The judgment was all right.

Mr. FOWLER. It seems to me the case was exactly in point.

Mr. FITZPATRICK. Yes, but they held the contract good——

Mr. FOWLER. That is what I say.

Mr. FITZPATRICK—under the civil law of the province.

Mr. FOWLER. Do I understand the minister to say that we should interfere with provincial rights in passing such legislation as this ?

Mr. FITZPATRICK. Yes.

Mr. FOWLER. This is a Dominion railway. Surely, we have the right to pass legislation incidental to the working of the road.

Mr. FITZPATRICK. 'Construction, maintenance and operation.'

Mr. FOWLER. This comes under the head of operation.

Mr. FITZPATRICK. With your permission, Mr. Speaker, I would add a word to what I have already said. There is something in the suggestion of my hon. friend from South Wellington (Mr. Guthrie) as to the propriety of having the question decided. I have no doubt as to the soundness of the position I have assumed. But I have asked my hon. friend (Mr. Lennox) who promotes the Bill to have it referred to the

committee. We can discuss it there. My view is that we might gain the object sought by making an amendment to section 242 of the Railway Act. And, as I have already expressed doubt as to the constitutionality of a part of subsection 3 of section 242, I do not know but that it would be wise to make an amendment that would meet his views, and then perhaps we might have a reference to the Supreme Court to have the matter decided. I do not pretend, while I have my own opinions on this subject, that I know everything that is to be known about it, and I quite appreciate the importance of coming to the assistance of these people who are connected with the operation of railways. At the same time I realize the importance on the other hand, of leaving all matters respecting contract within the provinces to the laws of the province, and in the case of Grenier vs. the Queen the Supreme Court decided formally that a contract entered into by the husband of the woman who was the plaintif in the case was binding on both parties. The question was raised and discussed. I was present and expressed that opinion and my opinion was sustained by the court.

Mr. FOWLER. That is the difficulty. If the contract was not binding it would not be necessary to have legislation.

Mr. FITZPATRICK. I said that the contract is good under our civil code. This would operate with extreme hardship against the employees of railways in our province where we have no such doctrine as the law of contributory negligence and common employment. These I understand apply to the English provinces. In our province notwithstanding an accident might be caused by the negligence of a fellow-servant there is compensation but in the other provinces—

Mr. R. L. BORDEN. I think in all the provinces that is abrogated by statute.

Mr. FITZPATRICK. I am speaking more of the common law. In Ontario for instance, you have the Workmen's Compensation Act. I am willing to have the matter referred to the Railway Committee where we will discuss and where I will suggest an amendment which would meet what my hon. friend has in view and in all probability—of course I cannot now speak with authority, as I have not consulted the other members of the government—we could have the matter referred to the Supreme Court for judical determination. That would be my own opinion.

Mr. LENNOX. As I understand it the Minister of Justice purposes referring this to the Committee of the Whole House.

Mr. FITZPATRICK. No, I would suggest that the matter go to the Railway Committee, where we may have a fuller discussion than here, and then I will myself suggest an amendment which I think will go as far as my hon. friend intends, and possibly it might be determined that the government might have the matter referred to the Supreme Court.

Mr. INGRAM. I understand the Minister of Justice to say that in his opinion the Bill introduced by my hon. friend (Mr. Lennox) is not a constitutional Bill. Some years ago when this very legislation was brought up in the province of Ontario, after soliciting information from the Grand Trunk Railway Company—that I think being the only company at that time which had a Provident Insurance Society under the Act of 1874—after receiving information they concluded that the majority of the employees of the Grand Trunk were not in favour of being excluded from the benefits of the Compensation for Injuries Act of the province of Ontario, but after getting that information they placed on the statute-book an amendment to the Compensation for Injuries Act to the effect that all employees connected with the insurance society in the Grand Trunk were excluded from the provisions of the Compensation for Injuries Act and therefore it was only those who were not connected with it in any way at all who come under that Act in Ontario. What I want to know is if this Act is an extension of the redress for the railway employees of the Grand Trunk Company who are connected with the Provident Insurance Society, would they by reason of assigning away their rights or contracting themselves out of any benefit or redress which they have other than simply the usual compensation of the Provident Insurance Society.

Mr. FITZPATRICK. That was the only redress.

Mr. INGRAM. That is a most extraordinary position. Here is a provincial government exercising control over Dominion railways. The railways for which they have apparently legislated are railways partially within one province and partially within another and therefore they hold when you go to the government of the province of Ontario that that province has no jurisdiction over these railways. The Minister of Justice shakes his head; I take it for granted they must have control according to his opinion.

Mr. FITZPATRICK. With respect to those contracts which arise within the limits of the province.

Mr. INGRAM. In so far as they affect the employees Provident Insurance Society but not otherwise. I do not see how the employees who feel that this is a great hardship are going to get their grievances re-

dressed unless this parliament takes hold of the matter and places legislation on the statute-book, legislation that will relieve them. I cannot see any other way.

Mr. LENNOX. I understood the Minister of Justice to say that he would move an amendment to section 242, subsection 3. I endeavoured to make it clear when moving the second reading of the Bill that I merely wanted to accomplish my purpose and would be very glad to have the assistance of the government. Why should not the Minister of Justice let the matter stand over and introduce his amendment so as to have it come up before the Committee of the Whole House at a subsequent time ? Why should we not consider it as we did the Railway Act of last session ? We did not have to go to the Railway Committee with that, and it seems to me it is a great advantage to discuss it in the whole House.

Mr. FITZPATRICK. I prefer to have the matter go before the Railway Committee. There can be no loss by having it discussed very fully there. No detriment can come to my hon. friend or his Bill by having it discussed in that committee with the understanding that so far as the government is concerned we will see that the Bill is reported back to the House. Of course in so far as the reference to the Supreme Court is concerned, I can only express now my personal preference, I would prefer to recommend to the government that we should have a reference to the court, but of course I cannot commit the government now.

Mr. R. L. BORDEN. So far as the constitutional question is concerned, there will not be much advantage in sending the Bill to the Railway Committee, but there are other questions that affect the merits of the Bill, and to these I presume the minister refers. I have not given the constitutional questions any consideration. Has the minister any opinion as to whether it is within the power of parliament ?

Mr. FITZPATRICK. Yes, I have not recently given the matter careful consideration either, because I presume, in view of the decision in Grenier vs The Queen that I was committed to the view I expressed then and I have not departed from it. I think that view was upheld by the court.

Mr. R. L. BORDEN. I think we all agree that in the absence of legislation from the parliament of Canada the question of liability must be determined by the law of the provinces. But that is not an end of the question submitted by my hon. friend (Mr. Lennox). The question still remains whether or not this subject is so directly connected with a matter over which we have jurisdiction that this parliament can in that respect interfere with the law of the provinces. Of course the Minister of Justice is quite as familiar as I am, or more familiar than I am, with the extent to which the doctrine of incidental jurisdiction, if I may so express it, has been carried by the courts.

It occurred to me while the discussion was going on that it might be possible for this parliament, for example, in a Bill incorporating a railway company, or in a Bill dealing generally with railway companies, to make provision requiring notice of action. Legislation of that kind is of very frequent occurrence on the statute-book of Canada, and probably in some cases which are not very far from the matter which we are now discussing. Well, if you concede that that would be possible, you are not really very far away from what my hon. friend from Simcoe is urging. He is urging just the converse of that, namely, that employees engaged by that company for the operation of the road may not by contract with the company deprive themselves of certain rights in connection with injuries which they may sustain while engaged in that work. I have no strong opinion on the subject, because I have not considered it, but I think the proposition would be quite arguable, and I would be inclined to think that the course suggested by my hon. friend the Minister of Justice, namely, to have the whole of this question, in connection with some other question mentioned by him, referred to the Supreme Court, would perhaps be the best course to adopt.

Mr. FITZPATRICK. Perhaps I am trespassing upon the rules of the House, but I would like my hon. friend to understand my reason for, at the present time at all events, agreeing with the course proposed to be taken. A careful reading of the Grand Trunk Act does suggest a doubt on the question. Incidentally a doubt has been raised in respect to the question of jurisdiction, and in view of that doubt I would be quite satisfied to recommend to the government a reference of this question to the Supreme Court.

Mr. LENNOX. Do I understand my hon. friend the Minister of Justice to move that the reference of this Bill be to the Railway Committee ? I recognize that there is no use of dividing the House on the question.

Mr. SPEAKER. The motion at present is for the second reading only. The other motion cannot be made until the motion for the second reading is disposed of.

Mr. LENNOX. Do I understand the hon. minister to move that this order be discharged and that the Bill be referred to the Railway Committee ?

Mr. SPEAKER. The proper course is to move the second reading, and then some one may move to refer the Bill to the Railway Committee.

Mr. LENNOX. I do not wish to be understood as agreeing to the propositions which were advanced by the hon. Minister of Justice, great deference as I certainly have for his opinion. The cases that I referred to in the argument in chief my hon. friend has not seen fit to deal with. I have referred to the cases to sustain my argument. I have endeavoured to make it clear, and I think I have from the authorities I have cited made it reasonably clear that what we can do is to restore this matter to the position in which it was before. That is all my Bill aims at, and if we do that we will not meet that question arising under section 92 of the British North America Act. As regards the question of incidental rights, I have also cited cases. In regard to the main proposition, that we are only restoring matters to the position in which they were in law in the various provinces before, I would say that that is the position which I endeavoured to take in my argument, and it is a position which the hon. Minister of Justice has not dealt with on this occasion. In Quebec in two cases and in Ontario in two cases it has been decided that owing to the legislation passed by this House the parties cannot recover, and owing to that legislation only. It seems to me that this House is in a position to so modify its own legislation in such a way that provincial law will prevail. I shall not trespass upon the time of the House further, but I am very much disappointed that we cannot have this matter referred to the Committee of the Whole House ; but as no good purpose would be served by dividing the House upon the question, I will not press the question to a division.

Mr. L. P. DEMERS. (Translation). In my opinion, it would be unwise to pass such a law. Should this parliament adhere to a legislation of this kind, there would be a matter of conflict between the provincial and federal laws, and that is most assuredly undesirable. In the case of a matter pertaining to provincial jurisdiction that may only incidentally be submitted to this parliament, is it wise to pass legislation that might conflict with the provincial legislation? I contend it is not. We have this instanced in our statutes in connection with the Insurance Act. In one clause of this Act, it is stipulated that the policy shall not be voided through the insured making an untrue statement in connection with his age. Now, in the province of Quebec, it is provided in our law that such untrue statement is sufficient to cause the insurance contract to be cancelled. Which legislation, one may wonder, is likely to obtain, should an emergency of this kind come to happen? Jurists are giving their attention to this puzzling question. Why did this parliament interfere in the matter when, under the local legislation, that contract was being cancelled? No available argument has been alleged so far for justifying that interference.

Many lawyers believe that this legislation does not come under the jurisdiction of this parliament because the contracts are subject to the local jurisdiction. Like several judges who have incidentally studied the question, Mr. Holt, in his Treatise on Insurance, believes that this matter is not pertaining to the federal jurisdiction. However, owing to the interference of this parliament, we have a legal conflict of this kind in the province of Quebec, that is we have a provincial law providing that the insurance contract is voided in the case of an untrue statement as to the age, and a federal law stating the contrary, which means that the untrue statement does not cause the contract to be cancelled.

It is now suggested that we should have a double legislation in order to regulate the relations as between employers and employees. We would then be in this strange position that, according to the provincial law, the contract is having legal force, whereas our federal legislation would state the contrary. Would it be wise for this parliament to pass such legislation? I submit it would not, and I contend we should not legislate in such a way as to cause legal conflicts.

Motion (Mr. Lennox) agreed to, and Bill read the second time.

Mr. FITZPATRICK moved :

That Bill (No. 73) to amend the Railway Act (Mr. Lennox) be referred to the Select Standing Committee on Railways, Canals and Telegraph Lines.

Motion agreed to.

CRIMINAL CODE AMENDMENT.

Mr. F. B. WADE moved the second reading of Bill (No. 76) to amend the Criminal Code, 1892.

An hon. MEMBER. Explain.

Mr. WADE. I have explained this Bill once before. The Bill is the same as that which I introduced last session. Section 343 of the Criminal Code contains a provision for the punishment of parties who are guilty of stealing gold, quartz, or ores, &c., but the difficulty experienced in the past has been that it was impossible to prove the ownership of the gold or amalgam that was stolen. For instance, a party might trade with the employees of the mine, or they might steal gold or amalgam themselves, and there is no way of identifying it. The mine owners have been labouring under very great hardship in the past. There has been very great complaint throughout the province of Nova Scotia, although I suppose there is scarcely any complaint from the other provinces on account of the difference in character of the gold. In Nova Scotia the complaint is very general that around all the mining camps there are parties who trade in gold, either trading with the workmen or with those

who have an opportunity of breaking the quartz. This has been so ruinous to the mine owners that they determined to take some action, and at the meeting of the Miners' Association of Nova Scotia last year they adopted a resolution and urged it on the attention of the government. The Bill which was introduced last session did not go through, and they brought it up again in their general meeting. They are unanimous in asking to have this law enacted. I could give very many instances of how the present law works. A party may be in a mining camp, he may be a pedlar, he may be in possession of hundreds and thousands of dollars' worth of gold, and yet it is absolutely impossible to prove he is a thief, because the ownership of the gold cannot be proved. This Bill is designed to remedy that evil by casting the burden of proof on the person who is found in possession of gold or gold amalgam. The Bill does not apply to any other province in the Dominion except Nova Scotia. The provisions of the Bill are taken from the West Australia Act. They are almost identical with what is aimed at here, namely, that on the party who is found in possession of gold or gold amalgam is cast the burden of proof as to how he came by the gold or gold amalgam. I fancy that if this Bill becomes law the stealing that is now going on will be done away with.

Motion agreed to, Bill read the second time and House went into committee thereon.

On section 343a,

Mr. R. L. BORDEN. There is in the province of Nova Scotia a feeling that some legislation of this kind should be enacted. I am informed by men who are familiar with the subject, that there have been a great many thefts of gold and a good deal of difficulty in obtaining convictions. I would be inclined to ask, whether the words which concern the burden of proof are not a little too comprehensive.

Mr. WADE. That is the whole principle of the Bill.

Mr. R. L. BORDEN. That is the important part of it, I know.

Mr. WADE. That is what the mine-owners are contending for. If a person comes by the gold honestly he can easily show it, but if he is not able to show that, the presumption is that he came by it dishonestly. I am informed that there are people in cities who deal in an underhand way with parties from these different camps. I have a very strong letter in my possession from Mr. George Stewart, whom the leader of the opposition knows well, saying that this legislation is imperative and that some mines have actually been closed down in consequence of the evil complained of. Near one mining camp in which I was interested, there was a chap who kept a beer shop, and on learning that the yield from the mill was a certain amount, he said: 'They have beaten me this month by two ounces.' This is a very serious thing, and I hope the leader of the opposition will not object.

Mr. R. L. BORDEN. I am not objecting.

Mr. WADE. The matter has been very carefully considered by the Mining Association of Nova Scotia; I have given it a great deal of thought since last session, and I can see no other way of attempting to remedy the evil.

Mr. R. L. BORDEN. I agree with the principle of the Bill, but the language is certainly very unrestricted, although I cannot at this moment suggest how you would get at the intention in any different way. Is there any precedent for this legislation in the statutes of the other colonies.

Mr. FITZPATRICK. It is borrowed almost word for word from the West Australia Act. I do not think that we should dispose of this Bill to-night. I will have to consider the question of the penalty, and when the matter comes up again I will bring the West Australia Act with me.

Mr. R. L. BORDEN. If such a law has been enacted elsewhere and has not been accompanied with any injustice or evil results, I do not think I would object to it.

On section 343b,

Mr. CASGRAIN. It seems to me that this section goes very far. Under it, a person absolutely innocent of any crime might be arrested and put to the expense of proving his innocence. The Bill says that any one is guilty of an offence who is deemed 'to have been watching and patrolling outside and in the vicinity of any premises on or about which gold, reasonably suspected of being stolen or unlawfully obtained or held, is found and seized by any peace officer.' It seems to me that it would be important to connect the patrolling and watching with the offence that is really committed; because a man may be watching and patrolling outside with some other object altogether. He will also be deemed guilty if he is proved 'to have been accompanying any person having in his possession any gold reasonably suspected of being stolen or unlawfully obtained or held.' A person might be in the company of a dishonest man for a perfectly legitimate purpose. He might be in the company of a man who had really stolen the gold and yet be absolutely innocent of any knowledge of the crime. I quite understand that there is a necessity for some such legislation as that contained in this Bill; but it seems to me that this section goes much further than prudent legislation should go. We must be careful, in passing any such legislation, not to expose innocent

persons to the trouble, annoyance and disgrace of being prosecuted on what under other circumstances would be a charge of receiving stolen goods.

Mr. WADE. So far as I am concerned, I am only seeking to accomplish a certain purpose, and I do not want the Bill to pass this House so framed as to subject any innocent person to improper prosecution. I am quite willing that every safeguard should be adopted to prevent that. The proviso in section 343c, to the effect that 'no person shall be convicted of an offence under this section if he proves to the satisfaction of the justice that his presence was innocent, might be extended to the section under discussion. I assume that the hon. gentleman (Mr. Casgrain) is not familiar with the industry of gold mining in the province of Nova Scotia. Usually the parties who traffic in stolen gold have confederates. What is designed here is to prevent a confederate trafficking with miners. Sometimes they go round among the miners with strong waters. The object of this provision is to punish both the man who has the gold in his possession and the man who is in his company at the time it is discovered. This is what the mine owners want. If any safeguard can be thrown about it so that innocent persons will not suffer, I will be content.

Mr. R. L. BORDEN. I think it should be subject to the qualifications in section 343c, because it makes the guilt of one man depend not upon his own criminal intent, but on the guilt of another.

Mr. CASGRAIN. Let me take the instance stated by the hon. member for Annapolis a moment ago. Suppose a pedlar goes to peddle strong drink to the miners, and is found in company of a man who has stolen gold. It is, I suppose, an offence against the laws of the province to peddle whisky without a license.

Mr. WADE. They call it 'siwash' around mining camps.

Mr. CASGRAIN. This man would have to admit that he was there selling liquor without a license in order to prove his innocence of the greater offence. Therefore, he would have to admit his guilt, which is against the principles of criminal legislation.

Mr. FIELDING. In Nova Scotia he would not be allowed to peddle it with a license.

Mr. R. L. BORDEN. I would not be troubled much with that consideration, because I do not think he would have any injustice done to him if he were obliged to admit that he was selling liquor. I think we should have, with regard to both these subsections, some such proviso as that contained in 343c, though I do not know that I am perfectly satisfied with the language used.

Mr. CASGRAIN. I am not such a strong temperance advocate as my hon. friend who sits beside me. That was an extreme case; but a man might be there on other business which he would not wish to divulge, and might be perfectly innocent of complicity in stealing the gold; but, in order to prove his innocence, he would have to divulge some secret which it would not perhaps be in his interest to divulge. This is going so much against all sound principles of criminal legislation that I think we should proceed with great prudence and so frame the law that innocent persons would not be exposed to the humilation of being charged with this offence.

Mr. FIELDING. The need of this legislation is very much felt in mining districts. At the close of the discussion we might let the Bill remain in the committee, and have a conference with the Minister of Justice to see if the objections could be met. Of course, care should be taken that no innocent man suffers; but one only needs to have knowledge of the mining business in Nova Scotia to realize the need of legislation of this kind.

On section 3,

This Act shall apply only to the province of Nova Scotia.

Mr. CASGRAIN. Is there any other example of criminal legislation being made applicable to one province only? Rather strange that what should be an offence, and such an offence as theft, in one province, should not be in the others. There are gold mines elsewhere than in Nova Scotia, and if this legislation be proper to apply to Nova Scotia why should it not extend to the whole Dominion? It is somewhat singular that we should legislate in criminal matters only for one province.

Mr. FITZPATRICK. We have a criminal procedure applicable to Quebec alone.

Mr. WADE. It would be impossible to make this law applicable to the whole Dominion. How would it operate in the Yukon, for instance, where gold nuggets are currency? It would create a revolution out there. I do not know that any evil of the kind exists in the province of Quebec or Ontario. I have heard no complaints, but it applies particularly to Nova Scotia in consequence of the character of its gold. It is a rough heavy gold, and it is very easy for workmen or others to break off these ingots and carry them away. I have seen two pieces of quartz containing $4,000 worth of gold, and the man could enrich himself in a very short time by breaking off pieces and carrying them away. I would ask the committeee to allow me to read part of a letter from Mr. George W. Stuart, of Truro, who is one of our foremost gold miners in Nova Scotia, and whom my hon. friend the leader

of the opposition well knows. He is writing to the secretary of the Mining Association :

Will you please state for the next meeting of the council the matter of writing Mr. Wade to press to an immediate finish the amendment of the criminal law in connection with gold stealing.

Only last week one of those peregrinating parasites—an Armenian pedlar—sold no less than 53 ounces of gold here in Truro, procured in the eastern districts. This gold, every grain of it, of course, was stolen from the various mines by the employees, and sold to this miserable wretch of a pedlar at a reduced price, and all manner of trash in the shape of cheap brass jewellery, much of it given in exchange and any cash that might be received would be spent in raw whisky.

The evil effects of this nefarious business is far-reaching, even to the extent of closing down mines, tying up capital and throwing many men out of employment.

Did we have a law such as we have earnestly asked for, this pilfering would soon cease altogether.

Take the case above referred to, this man (pedlar) would have been arrested and when arrested he would at once plead ignorance of law and give up the gold and every man's name he purchased from, the man who sold to him would be traced to the respective mines they worked in and the gold restored to rightful owners and the miners prosecuted. I trust the council will urge Mr. Wade to introduce this Bill at once in the early days of the session ; we are absoutely suffering from want of it.

Then, Mr. Stuart goes on to use even stronger language. I am sure he voices the entire sentiment of the mining industry of Nova Scotia. Further than that, he speaks the opinions of the honest employees in the mines who desire this law to be passed because they are now resting under a suspicion from which they should be relieved.

Progress reported.

NORTHWEST TERRITORIES REPRESENTATION—YUKON REPRESENTATION.

Mr. FITZPATRICK. I will have to ask that the next two orders, the second reading of Bill (No. 117) to amend the Northwest Territories Representation Act, and Bill (No. 118) to amend the Yukon Territory Representation Act, be allowed to stand, in the absence of the Minister of the Interior (Mr. Sifton).

Mr. CASGRAIN. Of course, I have no objection in regard to the second order, that regarding the adjourned debate on the second reading of the Yukon Territory Representation Bill, because it was understood that my hon. friend would introduce legislation amending generally the Yukon Territory Act. But, I am very much afraid that, if we adjourn the debate on the first of these two, that is the Bill to amend the Northwest Territories Representation Act, it will not come up again this session.

Mr. WADE.

Mr. FITZPATRICK. I think we ought to give my hon. friend (Mr. Casgrain) assurance that, if he will agree to postpone it now another opportunity for the discussion of it will be allowed, because the postponement is to suit our convenience.

Mr. CASGRAIN. Very well, on that understanding, I agree.

Order allowed to stand.

CANADA TEMPERANCE ACT AMENDMENT.

Bill (No. 119) to amend the Canada Temperance Act—Mr. Law—read a second time, and House went into committee thereon.

On section 1,

Mr. FITZPATRICK. I understand that the only change made in the law by this amendment is to make this offense punishable by hard labour and not by imprisonment only. The disadvantage of the present law is that it is found that when it becomes too cold to stay outside, the prisons fill up by the influx of those who break this law, thus causing expense and injury to the public. But, under this proposed amendment, the person guilty of infraction of the law would be called upon to do something for his country in the way of hard labour.

Mr. CASGRAIN. And then you will let them out on ticket-of-leave.

Mr. FITZPATRICK. That depends upon the applications made by my hon. friends opposite. When they are meritorious I act upon them.

Bill reported, read the third time and passed.

PROHIBITION OF CIGARETTES.

Mr. W. S. MACLEAN (Huntingdon) moved the second reading of Bill (No. 128) to prohibit the importation, manufacture or sale of cigarettes.

House divided on the motion :

YEAS :

Messieurs.

Alcorn,	Lavell,
Avery,	Law,
Ball,	Lefurgey,
Barker,	Loy,
Bell,	Macdonald,
Blain,	Mackie,
Blanchet,	MacKinnon,
Broder,	MacLaren (Huntingdon)
Bruce,	Macpherson,
Carscallen,	McGugan,
Christie,	Matheson,
Douglas,	Morin,
Earle,	Oliver,
Fielding,	Paterson,
Fowler,	Pope,
Gibson,	Reid (Restigouche),
Gilmour,	Riley,
Gould,	Ross (Victoria, N.S.),
Hackett,	Schell,

Henderson,	Smith (Vancouver),
Holmes,	Stewart,
Ingram,	Sutherland (Essex),
Johnston (Lambton),	Taylor,
Kidd,	Tolton,
Lang,	Wilson,
LaRivière,	Wright—52.

NAYS :

Messieurs.

Brodeur,	Lavergne (Drummond & Arth.),
Bureau,	Lavergne (Montmagny),
Casgrain,	Logan,
Champagne,	McCool,
Clarke,	McIsaac,
Copp,	Marcil (Bagot),
Costigan,	Marcil (Bonaventure),
Cowan,	Mignault,
Demers (St. John),	Murray,
Fitzpatrick,	Prefontaine,
Fortier,	Ross (Rimouski),
Gauvreau,	Sinclair,
Girard,	Tucker—28.
Harwood,	
Johnston (Cape Breton),	

PAIRS :

For.	Against
Kaulbach,	Kendall.

Motion agreed to, and Bill read a second time.

MOTION AGREED TO WITHOUT DISCUSSION.

For copies of all correspondence with and by the government or any department thereof, or with the officials of any department of the government, relating to applications for employment on the surveys of the proposed Railway Company of Canada, or the Grand Trunk Pacific Railway Company, in relation to such applications, since the 30th May ult., up to date. —Mr. Clarke.

On motion of Mr. Fielding, the House adjourned at 10 o'clock p.m.

HOUSE OF COMMONS.

TUESDAY, June 14, 1904.

The SPEAKER took the Chair at Three o'clock.

BUSINESS OF THE HOUSE.

Mr. R. L. BORDEN. I would like to ask the government whether all the measures in the shape of legislation which are to be brought down this session are before the House, and if not, what other measures, if any, the government propose to bring down?

Sir WILFRID LAURIER. I think there are perhaps one or two minor measures to be brought down, and we propose an amendment to the election law, which will be brought down at a very early day, and perhaps another measure, the tenor of which I will give my hon. friend later on.

Mr. INGRAM. What will be the nature of this amendment ?

Sir WILFRID LAURIER. In the direction of improvements generally.

THE COAL OIL DUTY.

Mr. J. E. ARMSTRONG. I would like to request the government that all petitions, pro and con, with reference to the duty on oil be laid on the table. A number of petitions have been presented to the government from towns and villages in western Ontario asking the government not to interfere with the duty on oil, and there have been one or two asking that the duty be interfered with. I would ask that all the petitions be laid on the table.

THE TELEPHONE QUESTION.

Mr. W. F. MACLEAN. Before the Orders of the Day are called, I would like to make a personal explanation. My hon. friend the Minister of Justice a short time ago said that a reference had been made of the telephone question to the Supreme Court. I put a question on the paper asking whether a reference had been made, and if so, what reference. The answer given by the Minister of Railways was that no reference had been made. I take this opportunity of letting the public, and especially those directly interested, know that no reference has been made to the Supreme Court, and that the Minister of Justice was in error when he made the statement he did. I also take this opportunity of informing the government that in the Railway Committee an arrangement was made that certain amendments of mine to the Railway Act should be considered in committee two weeks hence, and I wish to take this opportunity of informing the government that that arrangement does not preclude my bringing forward my amendments in connection with the Bill of the Minister of Justice to amend the Railway Act.

WAYS AND MEANS—THE BUDGET.

House resumed adjourned debate on the proposed motion of Mr. Fielding :

That the Speaker do now leave the chair, for the House to go into committee to consider of the ways and means for raising the supply to be granted to His Majesty.

Mr. ROBT. HOLMES (West Huron). In resuming, Mr. Speaker, the debate on the fiscal policy of the government, I wish to state at the outset that in my opinion the budget is one of which the hon. the Finance Minister has every reason to be proud. It is one which, I believe, the country will cordially and heartily endorse, and on which the Liberal party has reason to congratulate itself and the country. It is a budget that will bring to every patriotic Canadian a sense of pleasure and gratification, a

feeling of confidence and hopefulness for the future and the assurance that the affairs of this Dominion are in good hands and will continue to be managed in the best interests of the people. I well remember a prophecy made on the accession of the Liberal party to power by one who proved himself a false prophet, that the Liberal party would not be able to govern the country more than six months. Our record, Sir, of the eight past years flatly contradicts that prediction, and shows that the affairs of this country have been well managed and are perfectly safe in the hands of the Liberal party.

The hon. member for South Simcoe (Mr. Lennox), in the course of his remarks, said he would not discuss the budget at length, because there was nothing in it. Well, Mr. Speaker, I would ask is it nothing that the Finance Minister was able last year to announce a surplus of over $14,000,000 ? Is it nothing that he is able to estimate this year a surplus of $16,500,000, the largest in the history of the Dominion ? Is it nothing that the Finance Minister has been able to announce substantial surpluses seven years in succession, and that the total of these amounts to over $57,000,000? Is it a fact not worth mentioning that we have been able to deepen our canals, enlarge and improve our harbours, extend the Intercolonial, erect the necessary public buildings in various parts of the Dominion, and carry on the general affairs of the country without adding one cent to our taxation ? Is it nothing that the Finance Minister has been able to announce a reduction of over $1,000,000 in the public debt this year below what it was when the Liberal party took office ? Is it nothing to be able to prove that while the Conservatives added an average of $6,500,000 to the debt every year for the eighteen years they were in office, the Liberals have not added one single cent ? Is it nothing that the per capita debt to-day is only $46 as compared with $50 in 1896 ? Is it a fact not worth noting that our commercial prosperity to-day is not only greater than it ever has been in our history, but exceeds that of any other country in the world ? Is it a matter of no consequence that our imports are $241,000,000 to-day as against less than $120,000,000 eight years ago, and that our exports are nearly $230,000,000 as against $121,000,000 eight years ago ? Is it nothing that our total trade, which is the barometer of a country's prosperity, amounts to $467,000,000 to-day as compared with $224,000,000 in 1896, being an increase of $243,000,000, and that our increase alone is $19,000,000 over the total trade of 1896 ? Is it nothing that our export trade with the mother country is $63,000,000 more than it was eight years ago, and that our total trade with the mother country is $88,000,000 more than it was in 1896, and that, in fact, our increase is as large as our entire trade with that country was in 1895 ? Are we to be told that it is really of no account whatever that our railway tonnage should be 23,000,000 more than it was eight years ago and that our business failures are $8,000,000 less in value than they were eight years ago, and much less than at any time during the last twenty-one years ? Is it nothing that the deposits in our chartered banks to-day are $196,000,000 more than they were in 1896, the increase alone being greater than the total deposits in that year ? Is it nothing that the deposits in our savings banks amount to $21,000,000 more than they did in 1896 ? Yet in the face of all these incontrovertible evidences of marvellous and unequalled prosperity of this wisely and well governed Dominion, there are some members who have the audacity to say of the best budget ever brought down, 'there is nothing in it.'

My hon. friend from South Wentworth (Mr. E. D. Smith), who preceded me in this debate, endeavoured to belittle the administration of my hon. friend the Minister of Agriculture (Mr. Fisher) in so far as the hon. minister had endeavoured to do something for the farmers. The hon. gentleman, in an interesting speech from the standpoint of a fruit exporter, dealt with the question of cold storage and its effect on the transport of apples and other perishable fruits. With that question I do not purpose dealing, because I think there are others in this House who are more competent to discuss it, but I would make a brief reference to the course which the hon. Minister of Agriculture took with regard to the quarantine. The hon. member for South Wentworth endeavoured to belittle what the hon. minister did, and in order to give point to his arguments he sought to convey the idea that because our exports of cattle to the United States last year were smaller than in other years, therefore the Minister of Agriculture had accomplished nothing in the interests of the farmers. But he omitted to tell this House that in the four and a half years which preceded the removal of the quarantine—the removal of which was brought about, as everybody knows, through the efforts of the Minister of Agriculture—we only sent to the United States 3,672 head of cattle, or an average of a little over 700 head, and that in the succeeding four years, after the removal of the quarantine, we sent an average of 87,343, or a total value of $5,329,000. Nor did he inform the House that prior to the removal of the quarantine our farmers had on hand a large number of stockers, which were of comparatively small value, and for which they had no market at the time ; and while I would agree with him that it would be wise for our farmers to feed all their cattle possible on their own farms, it is my firm conviction that the price of the stockers has increased by virtue of the removal of the quarantine, as our farmers now enjoy the benefit of an increased market, and there is no demand in the United States for stockers which there was a short time ago.

He also dealt with the question of an increase in the duty on market-garden products. He was very earnest in his advocacy of the claims of the market-gardener, but as that question has been dealt with recently from this side of the House, I do not propose to weary the House by entering into it again. I would only call attention to the fact that my hon. friend, who is an exporter of fruit, makes as much use of the American market as is possible under present circumstances, and I do not think he would like to be thrown out of that market, to which market-gardeners from the Niagara section have convenient access. And he also endeavoured to convince us that it would be the part of wisdom for the government to increase the tariff so far as small fruits are concerned. He laid special stress upon the fact that California fruit was preferred in the west and more especially in Winnipeg, over Canadian fruits. But he did not tell this House, as he might have done, that one reason for this is that the Canadian packers do not take quite the same interest, I am sorry to say, in placing their fruit properly on the market that the California Fruit Agency does. It is a well known fact, and I am not impugning the Canadian packer. But those who have made inquiries for fruit sent out by the California fruit agency know that that fruit can be depended upon to be exactly what it is represented. And, by this means, the California people have established themselves in the western market while our Canadian packers have not met the conditions by proper care with reference to packages and the putting up of the fruit. Now, let me call attention to the duties that are now charged upon some of these articles. The duty on peaches coming into Canada is one cent a pound. The duty on plums is 25 per cent. The hon. gentleman (Mr. E. D. Smith) instanced plums in particular. The Canadian plum is admitted to be superior in flavour to the American plum, but they cannot be transported with the same degree of ease, and that is one reason why they do not get the preference in the market. The duty on tomatoes is 20 cents per bushel, and 10 per cent ad valorem. The duty on grapes is 2 cents per pound. Now, I am not a consumer of grapes to any great extent, but I think I know something of the conditions of the market. I believe I am not underestimating the value when I say that, in certain seasons of the year and in certain sections of the province of Ontario, grapes are sold as low as 2 cents per pound. At those seasons, the duty represents 100 per cent. It seems to me that, on some lines of fruit, the duty is large enough. On blackberries, gooseberries, raspberries, strawberries, cherries and currants, the duty is 2 cents per pound. Cranberries, plums and quinces, 25 per cent. Prunes, including raisins, dried currants and California or silver prunes, 1 cent per pound. The hon. gentleman (Mr. E. D. Smith) laid great stress upon the opinion that we ought to look after the producers, and said that if we looked after the producer the consumer would be able to look after himself. Well, I think there are times when it is right to look after the producer, but there are certainly times when it is the duty of the government to look after the consumer as well. The consumer has interests that deserve consideration as well as those of the producer. I do not know but that sometimes the hon. gentleman's expression could be reversed and that, with regard to some things in Canada, if we look after the consumer the producer is able to look after himself. The producer is less important, certainly so far as numbers are concerned. It is the duty of the government to look after the consumer as well as the producer.

Then, the hon. gentleman from South Wentworth dwelt at length on the argument that we ought to protect the farmers. I think the time has come, so far as the general principle is concerned, when we ought to cease statements of that kind in this House. I think almost everybody will admit that, so far as protection to the farmers is concerned, we can do comparatively little. We may do something but, generally speaking we cannot protect the farmer. And I think the House knows that perfectly well, and that the members of the opposition know it as well as we do, and, I think, in private conversation they would be prepared to admit it. But, in connection with their argument in favour of protection to all classes they feel it necessary to advocate protection to the farmer though they know that it cannot be carried out to its logical conclusion.

Now, one of the important features of the budget is the reduction of the duty on coal oil. I do not profess to be an oil man or to know much of the oil trade, beyond what I have read in the newspapers and gathered from conversation. I am free to admit that the newspapers are not always reliable. Sometimes, their statements are hardly in accordance with the facts. For instance, I read in the Hamilton 'Spectator' the following:

> The reduction in the duty on coal oil amounts to exactly nothing. The Standard Oil Company may want it for its own purposes; but the people of Canada will benefit not a cent from it.

Then, in the Ottawa 'Free Press,' the day after the change was made in the coal oil duties I find this advertisement:

> TO THE WHOLESALE TRADE.
>
> We have reduced our prices on all grades of refined oil, benzine and gasoline 2½ cents per gallon in consequence of a reduction of the same amount made in the tariff.
>
> The Queen City Oil Company, Limited.

I also read in interviews the opinions of producers who are, apparently, in sympathy with a reduction of the duties. The Toronto 'News,' no matter what may be the personal opinion of the editor, is not a paper that is regarded as especially friendly to the Liberal party. It is well known that the proprietor is a Conservative, and therefore, we must count the paper as an independent paper with Conservative leanings. Speaking of the oil duties, it says :

The immediate changes are regarded as undoubtedly a step in the right direction. The reduction of duty on refined oil is excusable by the fact that Canadian oil wells and refineries are not able to produce sufficient oil to supply the market, while the placing of fuel oil for manufacturing purposes on the free list will be of the greatest assistance to manufacturing interests.

The needs of the oil refiners are met by cutting the duty in two, while the domestic producer is rewarded with a bounty. The price of oil to the consumer should fall at once.

Mr. A. D. Gall, of the Gall, Schneider Company, makes this statement :

Every consumer of coal oil in Canada will now be able to get oil at least 2½ cents cheaper per gallon, and a further reduction may be possible as soon as the question of the bounty adjusts itself.

Mr. Fairbank, who is spoken of as one of the largest oil producers in the Petrolia section, is quoted thus :

J. H. Fairbank said he thought it a wise piece of legislation on the part of the government, and that from the information at hand the crude producers would not materially suffer.

The argument has been advanced that the effect of the reduction in the duty on oil will be to endanger the oil business in Lambton and other counties in western Ontario. I do not suppose that any one will call in question the party fealty of the Petrolea correspondent of the Toronto 'Mail and Empire.' I assume that this correspondent is a Conservative and voices the sentiments of his political friends. Speaking of the reduction of the duty on coal oil this correspondent, as will be seen in the 'Mail and Empire' of June 9th, makes the following statement :

The fact that the government had announced a bounty of 1½ cents per gallon on all crude oil produced from this date did not at first strike the minds of the inhabitants, and it was felt that the town had received a blow which it would take years to recover from. This morning, however, it was realized that while the situation is not to the liking of the inhabitants, it is not as bad as it might be. The price of crude oil yesterday morning was reduced from $2.09 per barrel to $2.06, and this morning a further drop was announced to $1.65 per barrel, but this later figure is supplemented by the bounty of 52½ cents to be paid by the government, making the price now $2.17½ per barrel. If the producer had any guarantee of the length of time the government would keep the bounty in force, he would feel much easier in his mind. . . . . Leading producers are all rather chary at the present time of expressing an opinion, but whatever the outcome, the people of the town will not be knocked out by the blow, but will go ahead and develop oil territory wherever they can get it, and will try and make the production reach the present and future wants of the people.

So, on that point at any rate, this correspondent who I presume is a Conservative, speaks rather favourably, if we read between the lines.

I have here one or two other expressions of opinion from producers about Petrolia similar to those of Mr. Fairbank. It is not necessary to quote them in full, but I may merely say that they show that these producers are satisfied with the reduction both on crude and on refined.

Now, I wish to quote from a Liberal paper, but only as to what I take to be a statement of fact as to the opinion in the west. The Winnipeg 'Free Press' says :

One of the tariff changes that will be most popular in the west is the cut in the coal oil duty. When the Liberals came into power they found this duty six cents a gallon. In their first revision they cut it to five cents per gallon and this has now been reduced to two and a half cents. The record gives ground for hoping that ultimately the whole duty will go and coal oil will be free. . . . . The new duty came into effect on Wednesday. To-day the wholesale price of oil is 2½ cents per gallon less than it was on Wednesday. The whole benefit of the reduction will be enjoyed by the consumer.

In another item the Winnipeg 'Free Press' has the following :

Immediately upon receipt of the information the Imperial Oil Company notified all its agents to put the selling price 2½ cents a gallon less than it has been ; and the reduced rates went into immediate effect. The reduction applies to all grades of illuminating oils and naphtha. On the stocks already in hand, imported under the old duty, the company will lose by the reduction, but large shipments are coming in under the new rate.

The reduction will be greatly appreciated throughout the west, where the high price of coal oil has for years been a grievance.

While there are some who take a view the very reverse of that which I hold, and who believe that the oil industry has received a blow from which it cannot recover, I believe I am divulging no secret when I say that hon. gentlemen in this House who have received letters and telegrams approving the change in the oil duties and congratulating the Liberal party upon it, find that those messages come signed by Conservatives as well as by Liberals.

It is not my purpose to deal at any very great length with the tariff. We on this side are charged with inconsistency because we do not follow out the radical ideas we held at one time. But it has been well said that the man who never changes his

views is likely to hold views that are very much in need of changing. In a practical world we must govern ourselves to some extent by the conditions as we find them. We may not be prepared to go as far as hon. gentlemen opposite are, but we are prepared to recognize the changes in conditions, and, in a practical way, to modify our policy to meet the circumstances of the country as they actually exist.

With the general tariff changes, I have no fault to find. If the argument advanced by our friends opposite is a good argument that with increased duties, competition among the manufacturers will keep down prices of manufactured articles there is no reason to fear increased prices as far as woollens and other manufactured articles are concerned. If the manufacturers do not enter into combines I believe the people will derive benefit in connection therewith. I am not one of those who believe in the spirit of retaliation. I do not believe in erecting a tariff wall against our American friends simply because they have a tariff against us. Being contiguous to the United States we must trade with them and the best policy we can pursue is one of maintaining amicable relations as far as it is possible to do so. I admit that I do not like the spirit manifested by our American friends. I do not like the spirit of tariff hostility that they have frequently displayed towards us, but I do not know that it would be wise to raise our tariff as high as theirs, although in the nature of things there may be and I dare say there will be a general revision of the tariff which will perhaps place us in a more equitable position than that which we occupy at the present time. It seems to me that the government have dealt with a serious situation in so far as the dumping clause is concerned. How that will work out and how it may prove by experience, I am not prepared to say. I anticipate that it will prove to be an obstacle greater than anything we have at the present time in the way of the undue and unfair slaughtering of goods which has been carried on by our American friends. But. I would like to see our own Canadian people manifesting a greater spirit of self-dependence than we have displayed up to the present time. I think, that, with our national resources and with our circumstances as favourable as they are, we should endeavour by self-assertion and independence to control our own markets without depending so much on paternal assistance or aid.

There are one or two points not specially dealt with in connection with the tariff that I want to allude to. They are perhaps the outcome of our system. Reference was made the other evening to the question of immigration. One of the speakers on the other side of the House with a swing of his arm and a good deal of force in his manner said that he did not think we ought to encourage immigrants to come here from the slums of Europe. I agree with him entirely but I think we have very little reason to find fault, as far as the immigrants which we are receiving are concerned. It is well known, and if it is not well known it ought to be, that the government make no special arrangement as far as immigrants are concerned except to look after immigrants and do what they can to secure them by legitimate means. No assistance is offered to immigrants and as far as undesirable immigrants are concerned I do not think we have a great deal to fear in that respect. I well remember that when the Mennonites came into the Northwest Territories as settlers some of our friends of the opposition offered very strong objections against them. They were said to be an undesirable class. It was said that they differed from our own people in their habits of life, and in their religion. It was said that they had certain peculiarities which our people did not approve of. But I believe that our hon. friends on the other side of the House will now admit that the Mennonites are among the best settlers we have in the Northwest. The Mennonite settlers are the wealthiest in that western country. Objection has been taken to the Doukhobors and Galicians on the score that they are undesirable settlers. I am quite free to say that the hon. leader of the opposition (Mr. R. L. Borden) is himself a convert to the view that the Galicians are a desirable class of settlers. I do not know that he has ever taken exception to them but there have been hon. members on the other side of the House who seemed to think that it was not advisable to allow these immigrants to come into our territory. What are the facts as far as the Doukhobors are concerned ? I am told by those who reside in the neighbourhood of the Doukhobors that a Doukhobor's word is as good as his bond, that if he goes into a store and asks for credit promising to pay for his goods at a specified time in the future the merchant will give him the credit which he desires and he will meet his engagements on the very day that he promises to do so. I find on looking into their transactions that when they require any article for their use they buy, for instance, ploughs by the hundred, overalls by the thousand, and sugar by five carload lots, I find that notwithstanding their peculiar views and religion they are assimilating themselves very rapidly with our own people, and I believe that within a very short time they will be a very desirable class of settlers indeed. When we take the figures showing the number of settlers who have come in during the last year I do not think we have very much ground to fear as far

as an undesirable class of settlers is concerned. I find that we received over 50,000 British settlers, over 40,000 settlers from the United States and a little over 38,000 from continental Europe. One of the American papers, alluding to the settlers who have come in, speaks of them as a very desirable class. The Philadelphia 'Ledger' makes the following reference to the settlers coming into this country :

The Canadian newspapers report that 4,000 immigrants entered the Dominion by way of the port of Halifax alone during a part of March. The majority of these newcomers are sturdy homeseekers who will go to the new Northwest provinces and settle in the great wheat region. If the recent batches of immigrants are like many of their forerunners, the very best of the immigrants will settle on Canada's homestead land and the least desirable, who could not have withstood the tests of our immigration laws, will eventually come down into the States by the back door. Canada is wont to complain that she is buffeted by fate, is a step-daughter of the British empire, the victim in all controversies, but in gaining new citizens she is now leading the world—not in quantity, but in quality.

I find, taking the figures of immigration for a few years back, a very favourable comparison indeed with reference to the present administration. They are as follows :

Years.	Numbers.
1896 (calendar)	16,835
1897 "	21,914
1898 "	31,900
1899 "	44,543
1900 (1st 6 months)	23,895
1901 (fiscal)	49,149
1902 "	67,379
1903 "	128,364
1903 (calendar)	134,370

We spent on immigration last year alone $447,000 more than we spent in 1896, but, of course, the settlers brought in to the country $18,000,000 of settlers effects and they brought $25,000,000 in cash. It seems to me, Mr. Speaker, that notwithstanding the adverse criticism we sometimes have from our hon. friends opposite, the money we have spent in immigration has been money well spent. It is a good investment, it is giving us good returns at the present time and it will bring us increased results in years to come. Lord Selkirk away back as far as 1811, predicted that there would be in the great Northwest no less a population than 30,000,000 people. While we have not realized that prediction fully up to the present time, any one knowing the fertility of the Northwest and its attractiveness for settlers can easily anticipate that in the near future we will have that large number of people in that territory. In view of the European settlers who are coming to our land, in view of the American settlers who are coming to our land, in view of the Canadians who are going into the Northwest Territories to make new homes for themselves, settlers from the east, the west, the north and the south, let me adopt the language of the poet who has said :

I hear the tread of pioneers
Of nations yet to be—
The first low wash of waves
Where rolls a human sea.
The rudiments of empire
Are plastic now and warm ;
The chaos of a mighty world
Is moulding into form.

Our Conservative friends have taken exception, in the course of this present session to the wisdom of the present government in putting corn on the free list. I take issue with them there. I think if there is one thing that the government ought to receive praise from the farmers of Canada for it is simply the placing of corn on the free list. It has been the means of contributing very materially to the success of the farmers of Canada. It has not reduced the price of coarse grain. It may have displaced, as some of our friends opposite say it has, a certain amount of coarse grain, but it has not reduced the price of coarse grain, and I think one of the wisest things our government ever did was to place corn on the free list, whereby they enabled the farmers of Canada to a large extent to feed cattle with the same facility and ease as his American competitor can do it, and therefore to place him in a better position to dispose of his cattle in the English market than he otherwise would have been in. I find that the government are not alone in the idea that they should remove the duty on corn. Let me quote from an address delivered by the Hon. Mr. Montague, the late Minister of Agriculture. In the course of that address he said:

The Conservatives were willing to give Americans free admission for their corn if they would give us free admission for our barley, but as they refused, the duty on corn remained.

You see that the former government were just as willing to remove the duty provided circumstances were favourable on the American side, as our government have proved themselves to be. Mr. Jacob Woodley, a farmer who resides at Westover, makes the following reference to free corn :

As farmers we want American corn. If we did not want it we would not buy it, and when we buy it we want it as cheap as we can possibly get it, especially when we have to compete in the markets of the world with our beef and pork. I have used some of that corn, and expect to use more of it. If we did not do well out of it we would not buy, and as a natural consequence they, the Americans, would not ship it here.

The argument is sometimes put forth, that because we buy 5,000,000 or 6,000,000 bushels of corn from the Americans, they have some unfair advantage on our market, and that they are forcing into our market a large percentage of their production of corn. In 1903 we imported altogether some 6,000,000 bushels of corn, and we exported over 2,000,000 bushels. This importation represents only one quarter of one per cent of the corn produced in the United States, so that our market is not of very much value to the Americans. The removal of the seven and a half cents per bushel duty has been of considerable benefit to the Canadian farmer, because when circumstances are favourable he can use the American corn for fattening his cattle which he can thus place on the English market on a fair basis of competition with the American cattle producer. It is true that we have not been able to avail ourselves of this advantage during the last year or two, simply because the price of American corn has been higher than in former years ; but my contention is, and although I am not a farmer I think I can demonstrate to the satisfaction of hon. gentlemen, that generally speaking it would pay the farmers of Canada to sell their coarse grain at the remunerative prices they can obtain for it, and use American corn for the feeding of their stock.

Our opponents take issue with us on the expenditure, and they say that we are spending too much money on this, that, or the other thing. Well, Sir, growing as Canada is, reaching out to the right, and to the left, to the north and to the south, with marvellous strides, our expenditure cannot be stationary. I well remember hearing the late leader of the Conservative party, Sir Charles Tupper, say in this House, that in view of the rapid extension of this country it would be unreasonable to expect that our expenditure would be stationary. The point to be considered by this House ; the point to be considered by the people of Canada is : are these expenditures wisely made? If they are not wisely made, then we have the right to criticise and condemn them. But, if our expenditures are for the general benefit of the country, and I contend they are, then all criticism falls to the ground. Let me call attention to some of the expenditures made by the present government, and I think the House will agree with me that they are wisely made ; at all events they certainly have not been criticised by members of the opposition. Last year we expended $846,000 more on the militia than in 1896. I suppose our friends on the other side will admit that this has been a wise expenditure. We spent, on necessary and desirable public works, $2,750,000 more than in 1896, and here again our Conservative friends will admit that this money has been wisely spent.

Mr. WILSON. I don't know.

Mr. HOLMES. Well, I do know, and whether the hon. gentleman knows it or not, I know further that whenever the estimates come up for consideration, my hon. friend who interjects the remark, and others of his friends with him, have asked for increased expenditure.

Mr. WILSON. I would like the hon. member to name a single item that I asked for.

Mr. HOLMES. It is not easy for me off hand to mention a particular item that the hon. gentleman has asked for, but I am within the judgment of this House in saying, that he as well as other members of the opposition have asked for increased expenditure when the estimates were under consideration. If he has not so asked, he is an exception on the other side of the House, and I accept his apology. Now, Mr. Speaker, we spent $500,000 more on lighthouse and ocean service, than was spent in 1896. I suppose our friends on the other side will admit that this money was not improperly spent. Indeed the Conservative press are contending now, in view of the lamentable accident which occurred the other day, that we should spend more money on this service so as to improve our navigation system. We spent $100,000 more on the fisheries service, and about $500,000 more on immigration than we did in 1896, and I am sure my hon. friends opposite will not object to that expenditure. We spent $332,000 more on the customs service than we did in 1896, but against that we collected $17,170,000 more in customs revenue. We spent $8,000 more on excise service than we did in 1896, but our revenue from this source increased by $4,000,000. We spent on postal service for the benefit of the people of Canada $400,000 more than we did in 1896 but the revenue from our postal service has increased by nearly $1,500,000. Let me digress for a moment at this point. I wish to call attention to the exceptionally favourable condition of our postal service under the able administration of the present Postmaster General (Sir William Mulock). The business people of the country admit, and the people of Canada generally admits that we have at the present day the best postal service we ever had in the history of the Dominion. We not only have had a saving of one-third on our domestic postage, but we have had a saving of one-third on our foreign postage. I well remember when Sir William Mulock proposed to reduce the rate of postage, member after member on the Conservative side of the House got up in their places and predicted it would be necessary to put a special tax upon tea or upon sugar, in order to make up the deficit they thought would follow the reduction of the postal rate. They could hardly be blamed for this, in view of the fact under Conservative rule we had a deficit of $700,-

000 or $800,000 annually in the Post Office Department, notwithstanding that we also had a three cent rate of postage. To the credit of the present Postmaster General, be it said, that it was not only unnecessary to put a special tax upon any article of consumption, but that he has been able to give us increased facilities all over this Dominion, and in addition to that he has turned the old annual deficit of Conservative days, into a surplus. The people of this broad Dominion appreciate the fact that they are now reaping advantages and benefits in the post office service to which they were strangers before the Liberals came into power. It is true that the expenses of the Intercolonial Railway have increased over $5,000,000, but every dollar of that has come back to the people of this country.

Now Mr. Speaker, I have given a brief review of the expenditure made by this government, and in conclusion permit me to say that the prosperous state of the country, as revealed through the budget speech, is sufficient to justify the warmest eulogy of this government. Some of our Conervative friends say: that the government are entitled to no credit for the existing prosperity, but the member for South Wentworth (Mr. E. D. Smith) was frank enough to admit that government was responsible to a certain extent for prosperity or for depression. No less an authority than the Toronto 'Mail,' commenting on the budget speech delivered in 1882, said:

> Instead of bringing the country to the brink of insolvency, the present government has caused every vein to quiver with healthy activity.

If that be true, what language could be more suitably applied to the present government? What government ever in Canada before has caused every vein to pulsate with healthy activity? Our friends on the other side of the House have endeavoured as far as they can, to minimize the credit that should accrue, and has accrued, to the government because of their wise administration of public affairs, but the people of Canada know better, and I have not the slightest doubt that they will pay their tribute of confidence in this Liberal government in the days to come. The prosperous state of the country, as revealed in the budget speech, must commend itself to both Liberals and Conservatives who look upon the question from an impartial standpoint. There are Conservatives who are willing to admit, that Canada now enjoys a higher state of prosperity than ever before; there are Conservatives who are candid enough to say, at least in private conversation, that this government has been a good administration; there are Conservatives who are frank enough to acknowledge that the administration of this government has been superior to that which preceded it. And, Sir, whether these Conservatives are willing to vote for the government or not, it makes no difference so long as in their heart of hearts they give the credit to this government for its wise acts of public policy. The good times have been shared in by all; by the farmer, by the manufacturer, by the artisan, by the invester; and the record of the government as portrayed in the budget speech is one on which the government can confidently appeal for the approval of the country. I am satisfied, Mr. Speaker, that be the day near or be it far, when it shall be necessary to appeal to the electorate for the endorsation of the policy of this government, the far-seeing, hard headed, thoughtful electors of the Dominion, will show their appreciation of a government whose policy has worked to the best interests of all classes of the community. We on this side of the House claim with pride, that this government is the best government Canada has ever known. We make that claim in view of the facts which have been disclosed; we claim it in view of the record of the government which stands without parallel in the history of the world, and which record has been ably presented to the country by the Minister of Finance in his budget speech.

Mr. R. L. BORDEN (Halifax). Mr. Speaker, the remarks of my hon. friend from West Huron (Mr. Holmes) are for the most part of a very general character, and I think they have already been pretty well answered by hon. gentlemen who have spoken. I do not propose to speak at any great length, and therefore my hon. friend (Mr. Holmes) will excuse me if I fail to follow him through all the phases of his eloquent speech.

Perhaps just a passing word might be given to the eloquent peroration with which he concluded. I do not quite remember whether he described this government as the best government this country ever possessed or the best government the world ever possessed—some hon. gentleman on that side of the House go that far occasionally. He claimed for it, that it had caused the veins of the country to pulsate with a splendid activity. Well, he was altogether too modest. Why did he not claim that it had caused the veins of the whole commercial world to pulsate with a splendid activity? He has as much justification for the one contention as for the other. But I observe that my hon. friend, like a great many others who address the House on this question, fails absolutely on every occasion to point to one single measure introduced and carried out by his administration to which the prosperity of this country is in any way due. That is the difficult aspect of the question from their standpoint. It is all very well to claim for Canada prosperity. We know we have it; we know also that we have had prosperity all through the

world; and unless we can attribute the prosperity which prevails in Canada to some act of the present administration, are we not forced to agree with an hon. gentleman whose authority my hon. friend from West Huron will not dispute, the hon. member for North Norfolk (Mr. Charlton), who said that the prosperity which Canada in common with the rest of the world has enjoyed during the past eight years is due to causes over which governments have no control whatever.

Having said so much, I shall now refer to the speech with which my hon. friend the Minister of Finance (Hon. Mr. Fielding) introduced his budget. Although that speech contains some rather noteworthy statements, I may be permitted to draw attention to the fact that it was perhaps as remarkable for its omissions as for what it actually contained. The hon. Minister of Finance, as was pointed out by my hon. friend from Pictou (Mr. Bell), made no estimate whatever of the revenue or the expenditure for the coming year. In that respect he departed from the course which he and all the other Ministers of Finance have followed on previous occasions. Not only did he make no reference to the revenue or the expenditure for the coming year, but he gave the House not the slightest explanation of that remarkable omission. Let me point to another omission in the speech of the hon. gentleman. One would have supposed that the Minister of Finance, speaking on a matter not only of political import, but of business importance to the whole country, would have been disposed to give to the people a fair and accurate statement of our affairs, and not to confine himself solely to those aspects of the business and the finances of the country which might be of use to his party in the distribution of campaign literature. The hon. gentleman went over a period of years with regard to our trade returns, but he made not one reference to the increase of taxation or the increase of expenditure. My hon friend dealt generally with the increase of trade in this country during the past eight years, but he made not one reference to a subject on which the hon. gentleman who sits beside him (Sir Richard Cartwright) has dilated at great length in days gone by—the relative trade of this country with the United States as compared with its trade with Great Britain. Not one word out of the mouth of the Minister of Finance; and stranger still, not one word out of the mouth of the Minister of Trade and Commerce, who used to continually harp on that matter in days gone by. That indicates that these hon. gentlemen were not giving fair candid statements with reference to the business of this country, but were making campaign speeches for distribution throughout the country, and therefore saw fit to omit from their remarks every possible aspect of our present conditions which might in any way call for criticism from gentlemen in this House or from business men throughout the country as a whole.

Now, it will be necessary for me to lay before the House some statements, which I will do very briefly, to remedy the omissions from the speech of the hon. Minister of Finance. Let me say, in the first place, that I do not object to a reasonable expenditure in this country. We could not reasonably expect that from 1896 to the present time there would not be some increase of expenditure in a rapidly-growing country such as this. The point we have taken in this House is that expenditure, especially on public works, should be conducted on some systematic basis, and should not be made the means of distributing favours to partisans, and should not be regulated solely by partisan considerations. We are glad to see money expended in this country, and we expect that our expenditure shall reasonably increase; but let us bear in mind that we have been warned by the Minister of Finance and the Minister of Trade and Commerce that matters shall not always be in this country as they are to-day. It was only a day or two ago that the Minister of Trade and Commerce uttered a last warning on that point—a warning which had been given to this country many times before by the Minister of Finance. That warning declared that just as surely as night follows day so periods of expansion and prosperity are followed by periods of depression, by lean years such as we have had in days gone by; and what I have said in this House before, and what I say now, is, that if you fix a standard of expenditure upon an unduly high scale in the years of prosperity, you will find it very difficult indeed to reduce that scale to the proper standard when you come to the lean years of depression. Let me point out the record of the administration during the past years as compared with the five years of the late Conservative administration:

TOTAL EXPENDITURE.

1892	$ 42,272,136	1899	$ 51,542,635
1893	40,853,728	1900	52,717,467
1894	43,009,234	1901	57,982,866
1895	42,872,338	1902	63,970,780
1896	41,702,383	1903	61,746,572
	$210,709,819		$287,960,320

In 1892 total expenditure by Conservatives	$42,272,136
In 1896 total expenditure by Conservatives	41,702,383
Decrease under Conservatives	$ 569,753
In 1903 total expenditure by Liberals	$61,746,572
In 1899 total expenditure by Liberals	51,542,635
Increase under Liberals	$10,203,937

Let us look at the matter in another way :

Total expenditure from 1899 to 1903.	$287,960,320
Total expenditure from 1892 to 1896.	210,709,819
	$ 79,250,501
Average annnul expenditure during past 5 years	$57,592,064
Average annual expenditure, 1892 to 1896	42,121,964
Average increased expenditure under Liberal government	$15,470,100

Now, I do not for one moment say that some portion of this increase was not justified ; but let us compare what the Conservatives did during the period from 1878 to 1896 with what the Liberal administration now in power has done from 1896 to 1904 in the construction of great public works. Look at the deepening of the canals, the building of the Canadian Pacific Railway, the construction of great public works throughout the country under the Conservatives. Under the present administration the work of completing the canals has been carried on and there has been an extension of the Intercolonial Railway at some considerable cost ; but no such great work has been undertaken during the past six years as that which was so bitterly opposed by hon. gentlemen opposite, the building of a great highway from the Atlantic to the Pacific, binding together all the scattered provinces of Canada.

Another matter which was brought to the attention of the House by my hon. friend from Pictou, and to which I will very briefly refer, is the increased taxation during the past six years. I shall give to the House a few comparative figures on that point, and I shall do this because in all sincerity I do not understand that any of the members of this administration, who claim that taxation was too high under Conservative government have ever been able to give any satisfactory reason why that taxation should be maintained at its present figure. The hon. gentleman who just sat down (Mr. Holmes) claimed as a great boon to the country that we are taking $14,000,000 or $15,000,000 out of the people every year beyond the actual necessities of government. Does not my right hon. friend remember the declaration of the Minister of Trade and Commerce in days gone by ? It is well perhaps for the right hon. the Minister of Trade and Commerce to sit in his seat and wear a sneering smile when his past utterances are brought back to him. I am sorry he is not here today, because I would like to put to him one or two questions. But he and other members of the administration will have to square themselves with the people some day on this point. The gentlemen who stated that taxation was too high in days gone by, that surpluses were an evil, that the exaction of one dollar from the people beyond the actual requirements of the government was highway robbery, cannot justify themselves to-day by sitting quietly in their seats, wearing a jaunty smile and drawing their salaries from month to month. That will not do. Let me point out what a comparative statement of the taxation shows, and then I will give you another table and will have the pleasure of quoting my hon. friend the Minister of Customs (Mr. Paterson), who spoke for his party in days gone by, and I am sure there is no member of the administration—least of all the Prime Minister—who will for one moment dispute the authority of that hon. gentleman or deny that the principles which he then laid down are those to which regard should be had at present.

In the first place let me point to a comparative statement of the total receipts from taxes under the Conservative and Liberal administrations.

Under five years of Conservative administration the total receipts each year were as follows :

1892	$28,446,157
1893	29,321,367
1894	27,579,203
1895	25,446,199
1896	27,759,285
	$138,552,211

Under Liberal administration the following is the record :

1899	$ 34,958,069
1900	38,243,223
1901	38,745,550
1902	43,389,112
1903	49,015,506
	$204,348,460

This shows that whereas in 1892 the taxation under the Conservative government was $28,446,157, in 1896 it declined under the same administration to $27,759,285, showing a decrease under Conservative government of $686,872.

In 1903 the taxation under Liberal administration amounted to $49,015,506 and in 1896 the taxation under Conservative rule was but $27,759,285, showing an increase under Liberal government of $21,256,221 between 1896 and 1903. And that was under the administration of these gentlemen opposite who were writing letters to the 'Economist' newspaper in Great Britain, when the Conservatives held office, for the purpose of decrying their own country ; pointing out that the people were being bled white by taxation.

The total taxes collected from 1899 to 1903 inclusive, under Liberal government, amounted to $204,348,460 and from 1892 to 1896 inclusive, under Conservative government,

$138,552,211, showing an increase in taxation in five years of Liberal government of no less than $65,756,249.

And yet the Minister of Trade and Commerce, when these things are brought to his notice, and when his former utterances are quoted to him, has no answer but a jaunty and often sneering smile and a tirade of more or less senseless epithets applied to hon. gentlemen who sit on this side. I do not know whether the right. hon. gentleman was sincere in what he said with regard to these and many other matters in days gone by, but I am giving him credit for sincerity, and I suppose it is from that standpoint that we must consider his present dumbness. If he makes no answer to our arguments, it is simply because he has nothing to offer but the smile he usually wears when any of these questions are discussed.

The average annual taxation during those five years of the present administration is $40,869,692 and the average annual taxation during the five years of Conservative government amounted to $27,710,442, making an average annual increase during the last five years of $13,159,250. What was the view which these gentlemen took in the olden days of excessive taxation and especially of undue exaction from the people ? I take the liberty of quoting, because the Minister of Trade and Commerce himself quoted the remarks I am about to read, only two years ago ; and when we find one minister of the Crown turning to another as the Minister of Trade and Commerce turned to his leader on that occasion, I think a special significance may be attributed to the remarks to which he then directed the attention of the Prime Minister. And this was the view of the Prime Minister in days gone by, given expression to in a very meaning quotation of the Minister of Trade and Commerce only two years ago :

> I do not tell you that we must have no taxation, but I do say that the government has no right to take a cent from you or me, except that for the necessities of the revenue, and if the government takes from you any portion of your earnings, whether the portion be large or small, to give to somebody else, that government is as much a robber as the highwayman who puts a pistol to your forehead and says : 'your purse or your life.'

That was the view of the right hon. gentleman and that was the view emphasized only two years ago by the right hon. Minister of Trade and Commerce. Well, Mr. Speaker, have those words any application to present conditions when we find that men who denounced surpluses in days gone by as no better than robbery, stand up in this House and pride themselves on the fact that they have taken from the people fourteen and a half million dollars more than the necessities of the revenue demanded ?

But we are told that the rate of taxation has not been increased, that it has actually decreased. Now, to meet that, I shall repeat the figures that have already been given to the House by my hon. friend from Pictou (Mr. Bell) in the very able address he delivered in the course of this debate. This table shows the taxation per head and the expenditure per head for the several years since 1895 :

Year.	Taxation per head.	Expenditure per head.
	$ cts.	$ cts.
1896	5 46	8 14
1897	5 57	8 28
1898	5 69	8 63
1899	6 65	9 72
1900	7 19	9 95
1901	7 19	10 76
1902	7 95	11 72
1903	8 87	11 17

The amount of taxation per head counts for nothing nowadays, I understand, in view of hon. gentlemen opposite, for they tell us it is not a fair way of looking at the burdens of the people. Is it not ? What did the Liberal party say about it in 1894 and 1895 ? My hon. friend the Minister of Customs (Mr. Paterson) will remember what the Liberal party said about it then, because he spoke for the Liberal party on that subject. I have here a quotation from his utterances. He spoke in 1894 and again in 1895 to a resolution presented by the Minister of Trade and Commerce (Sir Richard Cartwright) in which he demanded among other things, that the tariff should be so adjusted as to make taxations conform to the requirements of the expenditure. That was the position of the Liberal party at that time. Here are the words of the Minister of Customs on the subject :

> The hon. gentleman said that the taxes we had in 1878 were heavier then than they are now. That is a very strange statement for any one to make. I want to give hon. gentlemen opposite what I consider is a true way of measuring this, because the mere assertion made on one side of the House or the other will carry no weight. I would ask those hon. gentlemen to turn to page 11 of the Trade and Navigation Returns, prepared, not by Mr. Laurier or by the member for South Oxford, but prepared by the government themselves, and what is that statement ? One of the columns shows the amount of the customs duties paid per head of the population—

And now will my hon. friend the Minister of Customs and the right hon. Prime Minister who would defer to the Minister of

Customs, I am sure, on a question of that kind mark the words as follows :—

> That is the way to measure your taxation. Take the taxes of 1878 and see how much was paid by the population then. You will find it was $3.13 per head. Take the sum this last year, and it was $4.26 per head.

Now, will my right hon. friend say that the Minister of Customs did not make a perfectly clear statement, or that I have not made a perfectly fair comparison, in giving the statement which I have just laid before the House ? And if they admit that, if they are not prepared to withdraw that as well as every other principle on which they relied in those good old days, they will concede, I am sure, that they have increased the taxation so much per head as appears in the statements which I have just read. Let my hon. friend the Minister of Customs bear this in mind—that the taxation per head for this country according to the statement I have laid before the House and according to the public returns, has increased 37 per cent since the present administration came into power and the expenditure per head has increased, for the same period, by no less than 62 per cent.

Now, my hon. friend the Minister of Finance (Mr. Fielding) dwelt on the question of preferential trade. He says that the attitude of the two parties in Canada is practically the same on that question. I am glad to hear my hon. friend the Minister of Finance make that statement. The agreement must have come about very speedily, if it has come about at all. The policy of the Conservative party was set forth by a resolution in this House. I do not recollect that hon. gentlemen on the other side were prepared to support the policy which we then declared. But I want to tell them, speaking with whatever authority I may possess, that the Conservative party has not changed its policy on this point since 1899, when a resolution, proposed by Sir Charles Tupper was voted down by hon. gentlemen on the other side of the House. If there has been a change it is on the other side, not on this, because we are prepared to stand by the words of the resolution now as we did then. The words of the resolution are these :

> This House is of opinion that a system of mutual trade preference between Great Britain and Ireland and the colonies would greatly stimulate increased production in and commerce between these countries and would thus promote and maintain the unity of the empire, and that nothing which falls short of the complete realization of such a policy should be considered as final or satisfactory.

Therefore, if the Minister of Finance says that the parties are at one in regard to the question at the present time, it means that these hon. gentlemen are doing in policy what, I trust, they will very soon do otherwise—cross from that side of the House to this. What was the attitude of the right hon. gentleman (Sir Wilfrid Laurier) himself long after we proclaimed that policy. Why, his contention in 1901 and 1902 was that it would be absolutely absurd to expect any system of preferential trade with the mother country unless we adopted free trade and did away with our tariff altogether. I have the right hon. gentleman's words under my hand, but, unless he contradicts what I have said, I will not weary the House with them for I have already too many quotations in this speech. And what was the attitude of the Minister of Finance (Mr. Fielding) in those days. His attitude was that any effort to be made by Sir Charles Tupper along the lines he had suggested—that is, any effort to obtain a preference in the mother country in return for a preference given to the mother country —was arrant humbug ; and he went further and characterized as arrant humbug resolutions of boards of trade throughout the country urging upon the government to make efforts in that direction with the least possible delay. The two parties stand on the same platform now, do they ? Well, I have some recollection that my right hon. friend (Sir Wilfrid Laurier) when he was in Great Britain did not stand on the same platform or advocate the same policy as that announced by the Minister of Finance this year, and announced with even greater emphasis by the Minister of Finance in his budget speech of last year. What did my right hon. friend say when he was in Great Britain, after he had secured the return to office of his party in this country pledged to do whatever he could to obtain a preference for the products of Canada in the mother country ? He went to the mother country and told the people and statesmen of Great Britain that we wanted no preference in their makets for our products. But only last year, and previously at the Colonial Conference, we were treated to a series of threats by these gentlemen directed against the mother country, that the preference we had granted in 1897 would be withdrawn unless a similar preference were granted to the products of Canada by the mother country. The people of Great Britain were told in 1897—were they not ?—that Canada had not granted the preference which was then given to the mother country with any hope, or, indeed with any desire, of obtaining anything in return. It was given—said my right hon. friend—' in return for the splendid freedom with which you have endowed us. ' And further he said—and this is especially to be noted—we do not want any preference in return, because we do not wish to see the mother country cursed by that protection which has wrought so much of evil in Canada. My right hon. friend will not deny, and has never denied that utter-

ance. The published reports of his speeches contain these words, and I have them under my hand, if he should see fit to deny them. Why should we now demand a preference in return if we had already received compensation for the preference we gave ? Why do we now desire to see the mother country cursed by that protection which has destroyed Canada in the view of my right hon. friend ? Why do we make these threats against the mother country ? My hon. friend the Minister of Finance, in his speech of this year—and I have a number of quotations from his speech of last year, with which I shall not weary the House—says :

> For the present we think it is a wise policy to adhere to the preferential system in the hope that it may be adopted more generally throughout the empire and that by and by a better understanding may be come to in the mother country and that it will be adopted there as well.

But no one understood that to be the policy of this government up to 18 months ago because the language of the Prime Minister in 1897 was followed by words of the Minister of Agriculture in two or three speeches in Great Britain in 1901 in which, speaking with all the responsibility of a Minister of the Crown, he again repeated to the British people that no preference was desired by Canada because the preference which we had given was accorded to the mother country for altogether different reasons and upon an altogether different principle. When the Chancellor of the Exchequer was asked in the parliament of Great Britain : 'Do you propose to exempt Canada from the tax on food products ?' he replied : 'No. I do not propose to exempt Canada from this tax because Canada desires no such exemption.' Does my right hon. friend now desire to see the mother country cursed by protection ? Does he stand for and believe in Mr. Chamberlain's policy ? I am sorry that if he has repented, his repentance has come so late because I venture to say that if the government of this country had expended as much time and effort in procuring a reciprocity treaty with Great Britain—because that is all it amounts to—as they have expended in endeavouring to obtain reciprocal trade relations on fair terms with the United States, we would have had preferential trade on a fair basis and we would have had that preference in the markets of the mother country which would have done so much not only for the east but for the west of Canada and which would have poured population into this country in even greater numbers than we have beheld with so much satisfaction during the past three or four years.

The terror of imperialism in invoked whenever this question is raised. Well, I would like to know what greater danger we run by making a reciprocity treaty with the mother country, which is not a foreign country, than by making a reciprocity treaty with the United States of America ? What greater dangers are there in making a reciprocity treaty with Great Britain and Ireland than in making a reciprocity treaty with the United States of America ? Gentlemen who are very much alarmed at the prospect of reciprocity with the mother country were not afraid to take part in the deliberations of the commission which sat at Washington. Is there any greater danger in one case than in the other ? I would like to know what the danger is.

Let us look at it in another aspect. We have given a preference to the mother country. Do we run any greater danger of imperialism by receiving a preference in return ? Where does the danger come in ? I have endeavoured to concern myself with this a little as I propose to stand as strongly and as firmly as any one for all those liberties which we enjoy in Canada, and especially for the right of self government in Canada, which we shall never give up. But I do not understand why we run more risk in the one case than in the other, and I do not understand that we incur any risk at all, having given a preference to the mother country, by merely receiving one in return. When any government in Great Britain proposes to give to us a preference in their markets upon terms which are inconsistent with our rights of self-government we shall know very well, on this side of the House at least, what answer to give and we will say that no advantage of that kind would for one moment be considered if it involved the least diminution of those rights of self-government which we have enjoyed for so many years and have won by so much effort and at so great a cost. That is my position and I believe it is the position of hon. gentlemen on this side of the House. Then we are told that this government dare not interfere, dare not announce any policy on the subject, dare not become a party to any resolution because, forsooth, this has become a party question in the mother country and it would be impolitic to express our opinion. Well we have not always been so careful in the past. We interfered for example in connection with the war in South Africa by passing a resolution in this House, yet, I think that there was somewhat of a party question in the mother country even at that time. When will this cease to be a party question in Great Britain ? Suppose that Mr. Chamberlain's project carries eventually and he comes into power and is prepared to negotiate with Canada ; does any one suppose that the free traders of Great Britain will be absolutely eliminated, or that this will not continue to be a party question in the mother country ? Is it the policy of the

government that we shall sit still and fold our hands until the last sole survivor of the Cobden club has passed away ? If not, it seems to me we are a little too careful in Canada at the present time and that we might well in this country state at least our willingness to enter into negotiations for the purpose of ascertaining whether or not some fair basis of mutual preferential trade cannot be obtained. I have always thought that when the principle was once adopted by the statesmen of the two countries it would be largely a matter for the business men of the two countries to work out. I believe it could be worked out and worked out with advantage to the mother country as well as to Canada herself.

The Minister of Trade and Commerce (Sir Richard Cartwright) contends that Canada led the way in preferential trade. We know how Canada led the way. She led the way because there were two warring factions in the cabinet and a system of preferences to the mother country was agreed upon as a compromise between these two factions; and we know that the leader of one of the factions, the present Minister of Trade and Commerce, stated distinctly and emphatically when he spoke upon the subject in 1897 that he agreed to it because it was some installment of free trade and because the ship's head was now at last pointed towards the open sea of free trade. Now that same hon. gentleman will stand up in the House and vote, if a vote should be taken, in favour of an increase in the woollen duties that takes away 60 per cent of the preference upon those articles and he will rejoice no doubt to see in that regard the ship's head pointed in exactly the opposite direction.

I do not know that I need discuss the attitude of the hon. gentleman very much, particularly in his absence to-day, but I am almost inclined to think that his views upon that question or any other question will not be very highly regarded by very many of his fellow countrymen until he can give some better explanation than his leader has given of his attitude between 1878 and 1896 as compared with his attitude from 1896 to the present time. We have an explanation from the right hon. gentleman of the attitude of the right hon. Minister of Trade and Commerce from 1878 to 1896 and I am bound to say that if the remarks of the right hon. Prime Minister on that occasion were intended as a eulogy of Sir Richard Cartwright it was the most cruel eulogy that one friend ever pronounced upon another.

I spoke of omissions from the speech of the hon. Minister of Finance. He said not one word about the conditions of our import trade with Great Britain as compared with our import trade with the United States. This was a favourite text in days gone by. How does the matter stand to-day ? The British preference was given for the purpose of encouraging trade with the mother country and Conservatives have been taunted with this, that whereas their policy led to an increase of our trade with the United States, the Liberal policy was especially designed to bring about larger trade and better trade relations with the mother country. I have here a statement of imports from the United States for home consumption, excluding coin and bullion from 1896 down to the present time, distinguishing dutiable from free goods. In 1896 our dutiable imports from the United States amounted to $29,101,646 and our free imports to $24,427,744 or a total of $53,522,390. I trace it up from year to year until I come to 1903. Then I find our dutiable imports from the United States amounting to $68,538,323 and our free imports amounting to $60,251,914, or a total importation from the United States of goods valued at $128,790,237, a percentage of increase from 1896 to 1903 of no less than 120 per cent in our importation of free and dutiable goods from the United States of America. I come now to Great Britain. Our dutiable imports from Great Britain in 1896 amounted to $24,360,179, and our free importations amounted to $8,458,326, a total importation in that year of $32,824,505. Tracing it up year after year, distinguishing in the same way between dutiable and free imports, I come to 1903 and find then that our dutiable importations from the mother country were $42,210,165 and our free importations from the same country $16,582,873, making a total importation from Great Britain and Ireland of goods valued at $58,793,038 or an increase during the period that I have mentioned under the British preference of 78 per cent or a little more than half of the percentage of increase of importations from the United States of America during the same period. Taking our importations from all the world and tracing them up in the same way I find that in 1896 our total imports amounted to $67,349,759 and our free importations to $38,128,402, making a total in that year of $105,361,161. In 1903 our dutiable importations from all countries of the world amounted to $136,796,065, and our free importations amounted to $88,017,667 making a total importation of goods from all countries of $224,813,719, or an increase from 1896 to 1903 of 86½ per cent, being 8½ per cent of an average increase from all countries over the increase from the mother country which has been blessed by this preference upon which hon. gentlemen pride themselves so much.

IMPORTS, HOME CONSUMPTION, EXCLUDING COIN AND BULLION.

FROM THE UNITED STATES.

—	1896.	1897.	1898.	1899.	1900.	1901.	1902.	1903.	Percentage of increase, 1903 over 1896.
	$	$	$	$	$	$	$	$	p.c.
Dutiable....	29,101,646	30,482,509	38,063,960	44,471,824	53,897,561	53,600,278	60,181,808	68,538,323	
Free.....	24,427,744	26,540,833	36,760,963	43,995,349	48,182,616	53,549,047	54,562,888	60,251,914	
	53,529,390	57,023,342	74,824,923	88,467,173	102,080,177	107,149,325	114,744,696	128,790,237	120

FROM GREAT BRITAIN.

Dutiable ...	24,366,179	20,217,422	22,556,479	27,521,508	31,561,756	31,701,654	35,062,564	42,210,165	
Free.....	8,458,326	9,183,766	9,486,982	9,409,815	12,718,227	11,118,341	13,960,162	16,582,873	
	32,824,505	29,401,188	32,043,461	36,931,323	44,279,983	42,819,995	49,022,726	58,793,038	78

FROM ALL COUNTRIES.

Dutiable....	67,239,759	66,220,765	74,625,088	89,433,172	104,346,795	105,969,756	118,657,496	136,796,065	
Free.....	38,121,402	40,397,062	51,682,074	59,913,287	68,160,083	71,730,938	77,822,694	88,017,654	
	105,361,161	106,617,827	126,307,162	149,346,459	172,506,878	177,700,694	196,480,190	224,813,719	86·50

Increase since 1896 { From United States .... 75¼ millions.
" Great Britain..... 26 "
" all countries..... 119½ "

It is to be observed that the increase of our total importations since 1896 is as follows from the different countries that I have named: from the United States $75,250,000, Great Britain $26,000,000 and from all other countries $119,500,000. Let us remember that in days gone by this was a favourite subject of comment by the right hon. Minister of Trade and Commerce who spoke at that time as the financial exponent of the Liberal party. He especially emphasized one point, he emphasized it over and over again and although I have called his attention to it at least three times in this House on every occasion he has evaded any answer. Our imports from the United States for home consumption during 1903, less coin and bullion amounted to $128,790,237, our exports to the United States, excluding gold bearing quartz, silver concentrates, coin and bullion amounted to $49,532,827 leaving a balance of trade against us and in favour of the United States of no less than $79,257,410. Our imports from Great Britain for home consumption, less coin and bullion, in the same year amounted to $58,793,038, our exports to Great Britain excluding gold bearing quartz, silver concentrates, coin and bullion amounted to $125,198,057, leaving a balance of trade in our favour and against the mother country of no less than $66,405,019. The statement is as follows:

	1903.
Imports from United States—	
Home consumption and less coin and bullion..	$128,790,237
Exports to United States*..	49,532,827
	$ 79,257,410
Imports from Great Britain—	
Home consumption and less coin and bullion..	$ 58,793,038
Exports to Great Britain*..	125,198,057
	$ 66,405,019

* Less gold-bearing quartz, silver metallic, coin and bullion.

One thing that ought to be remembered is that if we take the $66,000,000 balance of trade in our favour with Great Britain and add $13,000,000 of our own money, the product of our resources in Canada, we are just able to make up the $79,000,000 which we have to pay to the United States. How does it come about that with the British preference the relative conditions of trade between this country and the United States as compared with those between this country and the mother country as so extraordinary as I have pointed out? Of course, one realizes that the mother country is our

customer. The United States can never be our customer in respect to many of our products. The United States is our rival in the markets of Great Britain and it is for that reason that I for one am prepared to support proposals for a reciprocity treaty with Great Britain rather than for a reciprocity treaty with the United States of America. The people of the United States are our commercial rivals; the British people afford us our market, and I suppose it will continue in future that our exports to the mother country will be greater than our imports from the mother country.

Let us look for one moment at the rate of duty. The rate of duty upon dutiable goods imported from the United States during the past year was 24·91 ; the rate of duty upon dutiable goods imported from the mother country was 23:32 : the rate of duty on all goods, dutiable and free, from the United States during the past year was 13·25 ; while the rate of duty upon all goods imported from Great Britain was considerably higher, being no less than 16·71 ; showing to what extent the United States has the advantage over the mother country in respect to free goods at least. Let us remember that both with respect to the trade from Great Britain and with respect to the rate of duty, there will probably be a still greater change in favour of the United States, in view of the proposed alterations in the tariff. I do not wish for one moment to be understood as not standing for protection to the woollen industry of Canada, but I do not forget that when this preference was given to the mother country, the duty upon many articles which we especially import from the mother country was raised, while the duty upon some at least which we import largely from the United States was correspondingly lowered.

I shall consider the tariff proposals of the government only briefly now. because they will more properly be discussed in committee. They are described by the government press in certain quarters, as being in the direction of higher protection, while in other quarters the idea of increased protection is discounted, and attention is called solely to certain reductions. It is interesting to see the Minister of Trade and Commerce and the Minister of Finance drawn as willing captives in the train of the so-called robber barons who were described in such terms of opprobrium in days gone by, by the member for South Oxford (Sir Richard Cartwright). If the government is adopting any measure of higher protection, let us remember that according to the right hon. gentleman (Sir Richard Cartwright) the government is embarking upon an orgy of the most awful corruption, because it is not long since he said :

I do not mean to say that a government may not be corrupt and yet not protectionist. That may be. But I do say that human nature being as it is, it is almost impossible for a government to be protectionist and escape being corrupt.

And I will add this further ; I will add that while I think protection and corruption are practically inseparable ; I will add that I likewise believe for my part, that protection and true freedom are all but absolutely incompatible.

According to the view of the right hon. gentleman, then, this government is plunging into a career not only of wild corruption, but into a career which will land the country in an absolute condition of slavery. I have before quoted the remarks of the Prime Minister on this question and I need not quote them again. Sufficient it is to say that the Prime Minister, only two years before he came into power, denounced protection as absolute slavery and robbery and he has since prided himself that having begun life as a protectionist he is now a free trader. Be that as it may, a more recent utterance of the Prime Minister in Montreal, informed us that he is now neither a protectionist nor a free trader, but a practical man. Let me remind the right hon. gentleman that almost the last public utterance of the Minister of Trade and Commerce upon this question, before 1896 was in moving a resolution in 1895, when he said :

I doubt if there ever was a country so wholly and utterly unsuited to protection as a country like Canada.

Might we be permitted to inquire whether he still adheres to that view so honestly and firmly pronounced. No one has questioned the honesty of his former utterances except his leader.

If inquiry into the tariff be necessary before revision takes place one would have supposed that such inquiry would be required as to certain matters that are dealt with in the tariff, notably the oil industry, which, as I understand it, presents a pretty complicated question for consideration. But the pretense of a necessity for inquiry was not always put forward by the government. In 1901 those who desired to revise the tariff were told by the government that the Joint High Commission was sitting ; in 1902 the excuse of the government was that the Colonial Conference was about to take place, and in 1903 the excuse was that until we learned the exact outcome of Mr. Chamberlain's agitation for a system of mutual preferential trade within the empire, it would be unwise to interfere with the tariff. But this year, there being no other excuse available for the government, we are told that these ministers who have been collecting information on this subject for the last four years, must have an inquiry. Have they not technical officers in their departments ? Have they not received delegations from the manufacturing, the agricultural, the lumbering, the

mining, and indeed all industries in Canada ? Have they not had an enormous mass of information placed at their disposal, and why is it that they shirk from making a tariff revision this session ? That question will present itself to every thoughtful man in the country.

In connection with the oil duties, the Minister of Finance presents a very charming picture by which the people will be saved $643,886 per annum upon the oil duties, while they pay a bounty of nearly $225,000. That is a very excellent condition of affairs, if the government could have any assurance that under existing and probably future conditions, the reduction in the price of oil will correspond with the reduction in the duty. When we get into committee I would like to hear some explanations from the Minister of Finance on that point before I would be prepared to join in his felicitations to himself on making that change in the tariff. There are various interests to be reckoned with in this connection. There is the oil refining industry which must not be lost sight of by any means, because it affords remunerative employment to many Canadians. There is the producer of crude oil to be considered, and his interests are very important.

I would not at first blush, and without hearing something further from my hon. friend the Minister of Finance than I have been able to hear so far, be inclined to agree with him that the interests of those producers are so thoroughly safeguarded by the proposed bounty as he seems to imagine. Is this bounty to be permanent ? Bounties are not usually provided with the intention that they are to be permanent. What is the view of the government on that point ? How is this difficult situation to be adjusted ?—because we must endeavour as far as possible to do justice to all. How is it that under conditions of that kind the government were able to spring to a conclusion without any difficulty whatever, whereas with regard to a great many other industries of Canada, the conditions of which are not of so complicated a character the government have found it absolutely necessary to postpone their decision ? One would like to understand something of the reasons why very difficult and complicated conditions were met promptly in the one case, and why less difficult and less complicated conditions in other cases receive no amelioration without a certain inquiry. These are considerations to which we cannot shut our eyes, and as to which we shall exact certain information from the government when we come to discuss this matter in committee.

With regard to the increased duty on woollens, I speak with all the diffidence of one who has not the experience possessed by a great many other gentlemen in this House. I have not had an opportunity of consulting very much those familiar with the conditions of the woollen industry; but, speaking from what I know on the subject and simply from the standpoint of common sense, I would have thought that the importation of shoddy would have been better met by a specific duty. I think that the importation of what is called shoddy ought especially to be dealt with, because not only is it destructive of the interests of our manufacturers, but it seems to present unfortunate conditions from the standpoint of the purchaser, consisting as it does of goods which look well, but which do not wear well, and in the end do not give that value to the purchaser which he has a right to expect in consideration of the money he pays for them. However, we shall have further opportunity of discussing that question when we get into committee.

As to the provision against dumping, this I am sure, must have been enthusiastically heralded by my hon. friend the Minister of Trade and Commerce. I was very much struck with certain observations which he made on that subject two years ago, and I was especially struck with an article in the leading organ of the Liberal party in the province of Ontario, the Toronto 'Globe,' on this very subject only last autumn. The argument presented by the Toronto 'Globe' was this : Far from dumping being any disadvantage to the people of Canada, it was the very thing the people of Canada wanted. How, asked this great organ of public opinion, can it be of any disadvantage to Canadians to buy for $1.00 goods worth $1.50? Shall we exhort our fellow-countrymen to refrain from purchasing them ? The trend of the argument was that if there was one thing above another that we should welcome in Canada, it would be the wholesale importation of manufactured goods from the United States to be sold in Canada for one-half of what they could be purchased for in this country. I went through a great part of the maritime provinces, into the eastern townships of the province of Quebec, and into the western part of the province of Ontario, and I pointed out to the people whom I addressed from every platform, that dumping, as I believed, was a very serious evil. I said to them : When the Canadian industry has been wiped out, when the Canadian factory has been closed, when the Canadian employee has been driven to seek his home in the United States of America and to work in those very factories which are sending these goods into Canada, and when you come to add up the account, even then, with the dumping of goods at reduced prices, I believe you would find the account against this country ; but add to that consideration the fact that when our factories have been once closed, and the employees driven to

a foreign country, you will find these trusts closing their hands, and compelling the people to pay 50 per cent more than the value of the goods; then make up the account and see where this country will be in the long run. I was not heralded by any Liberal newspaper as setting forth sound doctrine. My arguments were ridiculed; and yet when the Minister of Finance utters practically the same doctrine only the other day in the budget speech, he is heralded as the proclaimer of glad tidings by every Liberal journal throughout the country. That shows to what extent partisan politics will drive us.

Let us see what my hon. friend the Minister of Trade and Commerce thinks of his question of dumping; and I commend his remarks especially to the Prime Minister, because we all know that that right hon. gentleman put forward the present Minister of Trade and Commerce as the great exponent of the fiscal policy of the Liberal party in days gone by. Surely nothing has occurred since which would cause him to lose confidence in the well weighed utterances of that hon. gentleman. I will not put this statement forward as the utterance of the Minister of Trade and Commerce merely. I have a right to put it forward as the deliberate utterance of this government through the Minister of Trade and Commerce on this very question only two years ago; and I will let my right hon. friend repudiate it, if he sees fit to do so, as the deliberate utterance of the government of which he is the head. Here is a statement of the views of the government on the question of dumping:

> I have heard it said by hon. gentlemen opposite, and even by some friends of mine, that Canada is a dumping ground for American manufacturers. I have heard plaintive wails that heathen Yankees, not having the fear of God or of the Canadian Manufacturers' Association before their eyes, come to Canada and actually have the audacity to sell goods to Canadian consumers at a lower price than that at which they sell them to their own people.

Mr. SAM. HUGHES. Whose views are those, please?

Mr. R. L. BORDEN. These are the views of the government as pronounced by the hon. Minister of Trade and Commerce less than two years ago. That was in the finest vein of sarcasm of the hon. gentleman; and he continued as follows.

> It is even said, though this lacks proof, that they sell them at less than cost in their greed to monopolize so profitable a trade; and it is said that there are many Canadians so unpatriotic, so dead to all lofty feeling, that they will actually purchase American goods for no better reason than the fact that they can obtain them better and cheaper than they can similar goods in their own country.

That was the sympathetic way in which the government only two years ago treated the complaint by the producers and manufacturers of this country that they were suffering from the dumping of American goods. Once more we have a right about face by the administration and we welcome it if the measures taken to cure the evil will only prove effective, but I believe the government are taking these measures in a very half-hearted way and that they will not prove effective. We will have some opportunity no doubt hereafter to consider the reasons which lead us to that conclusion. My right hon. friend seems to be touched with the merry spirit of this utterance of the Minister of Trade and Commerce. I do not know which portion of it has excited his risibility.

Sir WILFRID LAURIER. The comments of my hon. friend.

Mr. R. L. BORDEN. I was endeavouring to be a little humourous and am glad that I hit the mark. Well, we are to have a very curious system, very curious measures to remove this evil, and very effective no doubt my right hon. friend thinks.

Sir WILFRD LAURIER. I hope so.

Mr. R. L. BORDEN. I suppose those hopes will be realized just as was the expectation of my right hon. friend that he would absolutely destroy protection when he came to office or that he would reduce our expenditure by $4,000,000. Does my right hon. friend think these hopes will materialize any better than did his splendid prophecy at Toronto with regard to the fast Atlantic ocean service? He only hopes now but then he had a certainty. Then he produced a telegram. At present, however, we are not on very safe ground. Then we had an assurance and a certainty, but now we have only a hope. What then is likely to result since our expectation now must be so faint as compared with that which the good people of Toronto and all the good citizens of Canada were led to entertain at that time? Goods have at present to be entered at their market value in the country they come from. The customs law requires that, and no change in that respect has been outlined by the Minister of Finance. The imposition of a special tax will turn therefore altogether upon the individual discretion of each customs officer, and we will have this extraordinary condition of things all over Canada. Importers will be met with one reception at Toronto, another at Montreal and another at Halifax, depending altogether on the judgment, vigilance, experience and knowledge of each customs officer. A thousand things which are uncertain will enter into the enforcement of this statute, and I venture to say that the expectations of my right hon. friend as to the effect of this measure will be found hardly up to the results even of his assurance with regard to the fast Atlantic service, because the expec-

tation in that case was kept up at least two or three years, although it has absolutely faded away for the present. Cannot the increased duty be evaded by some system of annual discounts or some other such arrangement? Men familiar with business life can inform the House better on that point than I can. Last but not least, the hon. gentleman's remedy will absolutely fail to operate when prices are generally depressed to an undue degree in other countries. When prices come down all over the United States, goods will be sold in Canada at what might be called dumping prices otherwise, but at the same prices as in the United States. Where will the protection be found then? The market may be so glutted at home that the American manufacturers will be compelled to send their goods to Canada at the prices ruling in the United States. We must not forget that the United States produced thirteen thousand million dollars worth of manufactured goods in 1901 and exported only three and a half per cent of that quantity. Let us consider for a moment what an enormous surplus they would have for export in a time of depression. If only ten per cent instead of three and a half per cent had to be marketed in some foreign country, that would mean an increase of exports to thirteen hundred and fifty million dollars. Where would those goods be dumped first? No doubt in Canada, which is the best customer of the United States for manufactured goods. I venture therefore to think that this provision will not prove a sufficient safeguard for Canadian interests. Further than that, if goods should be sold in the United States as low as fifty per cent of their value, the duty proposed would still enable them to be sold in this country at lower prices than they can be manufactured at in Canada. Canadian manufacturers cannot specialize their manufacture as the Americans can. We have only a home market of 6,000,000 as against a home market of 80,000,000 which the Americans enjoy. I have been astonished sometimes, on going through the industrial establishments of our country, to observe the enormous number and variety of articles which men are compelled to manufacture in order to retain the Canadian market. I have not been able to understand how it is possible to turn out such an extraordinary variety of articles and carry on business with any profit; but I have been told that unless they do turn out this almost infinite variety of articles, it is absolutely impossible for them to hold the market, because the dealers demand this large variety and if they cannot get it at home they will get it from the United States or Great Britain.

Another criticism which has been mentioned is one to which attention is directed by a very able man, Mr. William McMaster of Montreal. I am not sufficiently familiar with the tariff to know how much importance is to be attached to it, but I attach importance to it because Mr. McMaster has raised the point. He says:

> 'Our important point,' said Mr. McMaster, 'is what effect this will have on free trade. For instance, steel for many edged tools is admitted free. Would it be fair to allow a man importing free to get the advantage of slaughter prices, while others importing, say under a five per cent duty, would have to pay this additional charge; it would really amount to a bonus on the free goods. No doubt these points will be settled ere long, but in the meantime I can certainly endorse the principle of the change.'

But Mr. McMaster is very careful not to endorse the means by which that change is to be carried out. The general conditions of trade call strongly for a tariff on fairly protective lines. I have a statement here of the principal dutiable imports from Great Britain and the United States and I will call attention to some of the figures. I shall not read the whole statement, as it would take up too much time—and I fear that I have already unduly trespassed on the time of the House—but I shall quote some of them. The increase in imports from Great Britain and the United States was as follows from 1896 to 1903:—

STATEMENT OF PRINCIPAL DUTIABLE IMPORTS FROM GREAT BRITAIN AND UNITED STATES.

(TOTAL IMPORTS.)

	Great Britain.			United States.		
	1896.	1903.	Increase.	1896.	1903.	Increase.
	$	$	$	$	$	$
Animals	6,069	15,807	9,738	206,999	1,607,979	1,400,980
Breadstuffs	79,983	304,325	224,342	6,023,992	7,437,907	1,414,015
Fruits	.....	.....	.....	1,114,180	2,100,613	986,433
Hay	.....	.....	.....	28,832	127,153	98,321
Hops	13,923	20,324	6,401	37,733	98,888	61,155
Provisions	25,711	34,300	8,589	1,177,848	1,774,896	597,048
Vegetables	12,709	29,722	17,013	171,097	607,000	435,903
Cement	123,436	185,751	62,315	22,642	323,932	301,290

	Great Britain.			United States.		
	1896.	1903.	Increase.	1896.	1903.	Increase.
	$	$	$	$	$	$
Cotton and manufactures	3,366,502	5,512,475	2,145,973	1,076,081	1,765,491	689,410
Drugs, &c	250,689	667,545	416,856	510,667	899,731	389,064
Earthen and chinaware	381,495	785,270	403,785	55,892	258,665	202,773
Electric apparatus	8,581	53,214	44,633	309,911	1,580,021	1,270,110
Fancy goods	916,933	1,280,140	363,207	230,988	432,076	201,088
Flax, &c	1,414,404	1,923,862	509,458	64,125	99,489	25,364
Glass and manufactures	215,344	460,945	245,601	419,179	592,052	172,873
Hats and caps				404,050	1,032,489	628,439
Leather and manufactures	117,315	316,966	199,651	1,024,285	1,530,248	405,963
Iron and steel metals and manufactures	2,733,860	7,394,643	4,660,783	6,395,765	18,048,450	11,642,685
Brass, copper, gold, silver and manfs				555,589	973,852	418,263
Agricultural implements				414,933	3,131,488	2,716,655
Paints and oils	597,686	649,633	51,947	1,215,534	2,965,643	1,750,109
Paper and manufactures	249,139	401,681	252,542	673,875	1,575,736	901,861
Rubber and manufactures	118,657	446,811	328,154	211,669	573,421	361,752
Wood and manufactures				767,993	1,678,101	910,108
Wool and manufactures	6,970,010	11,134,201	4,164,191	208,430	573,421	364,991

This table showns very important increases in importation of a great many different articles. First, there are seven articles of animal products and of farm produce and then there are some twenty articles of manufactured goods. I realize that, with respect to some of these manufactured articles we cannot legitimately hope to have the whole Canadian market. But I do believe that with respect to many of these articles we should have full control of the Canadian market, or at least to a far greater extent than we have at the present time. Look at iron and steel manufactures, in which we increased our importation from Great Britain and the United States by more than $16,000,000 in the period which elapsed between 1896 and 1903. The tariff on iron and steel and manufactures of iron and steel has not been touched at all, except in so far as it may be modified by the proposed dumping provision in which I have not a great deal of confidence. One of our great iron industries, that in the province of Nova Scotia has been in more or less trouble. Another, that at the Soo is being re-organized. In respect of both industries, we have reason to believe that the government has been asked to give greater protection. I should think that in that respect, and in respect of many other articles which I have enumerated the interest of the country calls for a readjustment of the tariff upon a fair and reasonable basis having regard not so much to the interest of the manufacturers themselves—because I am not standing for their interest especially—but having regard to the interest of the whole country, the interest of the people who obtain employment in great manufacturing establishments. These, even more than the men whose capital is invested, are interested in seeing that these manufactures are put upon a thoroughly sound basis, a basis which will enable the men who have employed their resources in these industries to give to the labouring men a fair and reasonable wage.

For the year ending June 30, 1903, Canada imported :

Breadstuffs, to the value of	$11,557,644
Provisions and vegetables to the value of	2,572,876
Agricultural implements to the value of	3,155,779
Woollen and cotton goods* to the value of	24,045,709
Hats, caps, leather and manufactures of, to the value of	4,024,616
Iron, steel and manufactures of, to the value of	42,156,215
Electric apparatus to the value of	1,646,489
Paints and oils to the value of	2,864,000
	$92,023,328

* Raw cotton not included.

From 1896 to 1903 our—

Importations of breadstuffs increased	$ 5,139,887
Importations of iron, steel and manufactures of, increased	31,953,163
Importations of woollens and cottons increased	8,827,213
Importations of electric apparatus increased	1,324,558
Importations of hats, caps, leather, &c., increased	1,295,761
Importations of agricultural implements increased	2,685,904
Importations of paints and oils increased	1,269,715
Total increase in these articles	$52,496,191

And the question for this parliament and for the Canadian people is whether or not the labour involved in the manufacture of a great many of these articles, a very large proportion of the total of that sum of fifty-two and a half million dollars might not have been given to our own people at a remunerative wage rather than to the people of other countries.

Now, Mr. Speaker, I have detained the House very much longer than I expected to do when I began. Let me say, in order

to be brief, that I stand by the principles which I advocated last year as those upon which we should proceed in the re-adjustment of the tariff. And, for the purpose of being brief, I will read those principles instead of describing and elaborating them :

Our policy should be to accomplish the following objects :—

1. To so arrange our tariff that all legitimate industries at present established in this country should be so protected as to insure as far as possible permanency under conditions of depression as well as in times of commercial expansion.

2. To invite capital and attract labour to the establishment of other industries which the resources and raw material of our country amply justify.

3. To preserve by means of an adequately protective tariff our own home market for our own people and to have the policy of the government so declared and understood.

Because that is the very basis of all investment for the purpose of expanding the industries of Canada.

4. In framing our tariff to have regard solely to the interests of Canada which have been committed to our charge, although recognizing that in consulting our own interests we must not be unmindful of the tariffs raised against us by other countries.

5. To so frame our fiscal policy that labour in Canada shall be paid a fair living wage, remembering always that our labouring classes and therefore our producers and manufacturers cannot be expected to compete on even terms with countries in which the condition of life among the labouring classes is altogether different. We do not desire to reduce our labouring population to the low standard of living, to that hard fierce struggle for existence which prevails in many countries. We do not want our labouring classes to compete without protection against the pauper labour of any country.

6. To utilize the labour of our own people in the conversion of our own raw material into finished products required for use in our own country. It is surely bad policy to export our raw material, to send our labouring classes abroad to another country to find work in its manufactories and to send after both our money to pay for the finished product which we require.

And I say that not only the labouring men of Canada, not only the manufacturers of Canada, not only those who have capital invested and those who receive a wage out of the investment of capital, but the farmers of our country as well are intensely interested in seeing that we have a stable policy of protection carried out. The people of Canada are beginning to realize, the farmers I think are beginning to realize the value to them of the home market and of important industrial centres, of which we have few in this country to-day. Farmers, newly arrived farmers in the North-west, pointed out to me a year and a half ago that in making their homes in Canada they felt the disadvantage of not having in western Canada those great industrial centres and centres of population that afforded them a market in the United States. That condition would come to us in the west of Canada, as well as in the east, if we had in force a policy such as I suggest, and such as we on this side of the House have fought for. Winnipeg and other great points in the west would become manufacturing centres, great industrial centres, before many years had passed, if we had in Canada a tariff adequately and firmly protective of our home market. And, Sir, with a policy such as I have outlined and with a thoroughly national system of transportation, whereby the people shall own and control the national highways, constructed by means of the national credit and out of the national resources, the development of this country will proceed on sure lines, on a stable basis and in a legitimate direction. and we shall have no cause to fear for the future material prosperity of the country which we love so well.

I therefore beg to move :

That all the words after 'that' in the proposed motion be left out and the following substituted therefor :

No readjustment of the tariff can be regarded as satisfactory which does not provide such protection to our labour, agricultural products, manufactures and industries as will secure the Canadian market for the Canadian people.

That at the present session there should be a thorough adjustment of the tariff based on a declared and stable policy of adequate protection.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). Mr. Speaker, I am sure my hon. friend (Mr. R. L. Borden) will be the first to admit that the speech which we have heard to-day from his lips is a very old friend. At all events, it is an old friend of hon. gentlemen on the other side of the House ; it is on this side of the House an old acquaintance. We have heard it before, and we have heard it during the present session even, from the lips of the hon. member for Pictou (Mr. Bell). I shall not say we have heard it too often ; quite the contrary, because if, after all, the policy of my hon. friends on the other side of the House is confined within the four corners of that speech, and if, as time goes on, and year after year rolls upon us, we have the same thing over and over again, then after all we on this side of the House should be comforted with the thought that there is not much to find fault with in our policy. My hon. friend (Mr. R. L. Borden) has dilated at some length on the question of figures. He has reproached us once more upon the fact that we have increased the expenditure. I do not know that it requires any justification on my part, or if I should endeavour to make a justification, that much labour would be required for that purpose, because I think that the expenditure which we have incurred has been amply justified, not only by hon. gentlemen on this side of the House, but even by hon. gentlemen on

the other side. I would like to know, Sir, during the years we have been in office what items of the expenditure which have been proposed by this government have been opposed by hon. gentlemen on the other side of the House ? The truth is that we are not sufficiently extravagant in the eyes of hon. gentlemen opposite, because again and again we hear them proposing to us to increase the expenditures which we have brought to the attention of the country. I have not time to go over these, but if I had time I am sure I could recall many instances in which hon. gentlemen on the other side of the House have asked us to supplement estimates which we were bringing before the House and to vote more money than we were providing for. The chief object of my hon. friend's criticism has been the question of surpluses. My hon. friend, I may tell him again, is a good hand—not yet equal to Sir Charles Tupper, I admit—but not a bad hand at a scrap-book. He has quoted some sentences from speeches of my hon. friend (Sir Richard Cartwright) to the effect that the Minister of Finance had no need of having surpluses. Sir, I do not think if the hon. the Minister of Trade and Commerce (Sir Richard Cartwright) were here he would have anything to recant, to apologize for or to explain on this subject. I have to say to my hon. friend that in such a new country as this a large amount of public money must be expended. We have to build railways, to build wharfs, to improve the canals and this involves a large expenditure. In the eight years we have been in office we have spent no less than $56,000,000 on capital expenditure providing for the construction of railways in different parts of the country and for the improvement of the canals, and I may say that at this time the country is the wealthier for the expenditure which we have made in that direction. Not only have we made the country all the wealthier for the expenditure which we have made, but I venture to say we should perhaps have spent a little more. We have been able to expend no less than $56,000,000 in that way on improvements which have added to the wealth of the people, and have been able to do this without adding one dollar to the public debt of this country.

There is our justification and I ask my hon. friend what are we to do ? We have carried on this work with our surpluses. It is because my hon. friend the Minister of Finance (Mr. Fielding), year after year has been able to make a record as that which he has made, it is because, year after year he has been able to have surpluses amounting to this large sum of money that we have been able to add to the wealth of the people of Canada without adding one cent to the public debt. If we had followed the suggestion of my hon. friend, if indeed it was a suggestion, or if we had done what his words imply, we would have taken means to reform the tariff in such a way

that instead of having this surplus to carry on these public works we would have been obliged borrow the money in the markets of the world. Is that the policy of my hon. friend ? If the argument advanced by my hon. friend this afternoon means anything it means that my hon. friend objects to the policy we have pursued. If it means anything it means that instead of carrying on these public works and of meeting these expenditures out of the money which we have placed in the public treasury he would have done the same thing by borrowing the money in the markets of the world. It means that instead of carrying on the public works of the country without putting any greater burden on the shoulders of the people, and without adding to the public debt we should have borrowed the money. If that is the position which my hon. friend takes I am willing to take issue with him. I am not only willing to take issue with him in this House, but am willing to allow that issue to be placed before the Canadian people. My hon. friend a moment ago rather stated that we would change sides in this House ; he rather intimated that when the general elections came on in this country he and his friends would come to this side of the House and we would go to the other side of the House.

An hon. MEMBER. So you will.

Sir WILFRID LAURIER. I have heard that before. I heard that in 1900 and it is a promise which has not yet been fulfilled. I am not strong in the line of prophecy but if my hon. friend wants to come into power it will not be by suggesting that in order to carry on the public works we should borrow the money instead of meeting these expenditures out of the revenue of the country. That is the difference between my hon. friend and myself on this question and I am willing to leave it to the clear judgment of this House as to the better policy to pursue.

My hon. friend spoke at some length upon the dumping clause of our tariff. I could not say from the statement of my hon. friend whether he was in favour of our policy or against it. I gathered that two years ago when my right hon. friend the Minister of Trade and Commerce (Sir Richard Cartwright) made a speech rather against it, my hon. friend was rather in favour of it. But since that time it seems to me that my hon. friend has changed his mind and that he is now rather against it. At all events he did not speak enthusiastically about it. He said that I did not speak enthusiastically about it. My hon. friend spoke of my previous statements about the fast Atlantic service. I well remember that on a certain occasion when I was in Toronto I received a telegram from England. I thought it was settled and I so stated to the people of Toronto but I have learned since that occasion that it is not always best to be too sure. But, we have reason

to hope that this policy will bring about the effect for which it has been designed. My hon. friend did not dare to attack it but he rather suggested that it would not be effective because it might be evaded. What feature of the tariff law is there that is not liable to be evaded ? I am sure there will always be some parties in this country and on the other side of the line also who will endeavour to evade the law and I have no doubt that my hon. friend the Minister of Customs (Mr. Paterson), within six months, or perhaps within a less time, will have to deal with that question. There are parties who will try to get over this law, to defraud the revenue and to prevent the Canadian people from deriving the benefit from it, but that is no argument against the law. If that were an argument against this law it would be an argument against the whole tariff. My hon. friend cannot point to a single law of any kind whatever and especially one which put a restriction upon free importation or free act of any kind on the part of the community which will not be subject to being evaded, and certainly when a law of this kind is adopted to put a stop to an illegitimate traffic which has been taking place for many years as it has been for the protection of the Canadian manufacturers in the lines of business in which this traffic has been carried on, I have no doubt that great efforts will be made to get over the law. I have no doubt that many hon. gentlemen opposite who are in favour of it are disposed to damn it with faint praise because it comes from this side of the House. Well, we will have to see how it will work. All the business men the country will concede that not only is this a good measure but that it is a bold course which has been taken by the government and one which shows that this government is alive to the necessities of the trade of this country.

My hon. friend also stated that he did not altogether approve—I do not know that I understood him correctly,—of the commission which we were instituting in order to have an inquiry as to how the tariff has been working and as to how it can be improved. My hon. friend did not altogether, as I understood him, condemn the idea, but he did not commend it either. He stands betwixt and between ; he says neither yes nor no. He said : If you have an inquiry in order to deal with the tariff why should you deal with the oil duties ? Again on the oil duties my hon. friend did not say very much. He did not attack us on our policy. In regard to the oil duties we did not have any hesitation or difficulty, in deciding upon the policy which we have adopted and I think that policy can be very well defended in very few words. We found the duty on refined oil when we came into office six cents per gallon. We then reduced it by one cent per gallon and this year we have cut the duty in two. We have reduced the duty on refined oil to two and a half cents per gallon. We have wiped out altogether the duty on crude oil but we have given a bounty of a cent and a half per gallon to the producers of crude oil. Why did we do that ? The reason is obvious and I hope it will commend itself to my hon. friends opposite. The producers of Canadian oil cannot supply the Canadian market. The production in Canada cannot supply more than one-third of the total consumption of oil in Canada. Two-thirds have to be imported. It is a well known fact that if we had wiped out the duty on crude oil without giving any bounty to the producers we would have closed up every oil well that is producing oil in the province of Ontario. There is no doubt as to that. It is a serious question and it is one in regard to which there can be no dispute. I do not think the oil industry has been a very profitable industry to anybody for many years past but it is a well known fact that thousands if not millions of dollars of Canadian money have been invested in that industry. It so happens that we cannot compete on equal terms with American oil and if we had not given to the producers in the province of Ontario a bounty of one and a half cents a gallon which enables them to keep their wells open the whole of the plants and the whole of the money which have been invested would have been wiped out and Canada would have lost probably millions of dollars instead of having a profitable industry going on. Instead of having that condition of things, in order to give the consumer the benefit of cheap oil, we thought we were justified in giving a bounty out of the public treasury which will amount to from $150,000 to $180,000 a year. We rely upon the good sense of the people of Canada that they will agree to give this bounty to their fellow citizens who have invested their money in the oil regions so as to keep their industry in operation. This is the justification for our policy and if we are wrong we invite the criticism of our friends on the other side.

Mr. CLANCY. Why does not the right hon. gentleman apply that rule to all other industries ?

Sir WILFRID LAURIER. That is what we have been doing.

Mr. CLANCY. Oh, no.

Sir WILFRID LAURIER. That is what we have been doing as I shall show. My hon. friend (Mr. Clancy) is too critical ; I will be able to show him that we have done that for every other industry. At all events, if we have not the approbation of his leader, we have his own approbation with regard to this particular item of our policy because my hon. friend has approved of it.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. He approved of it, and I understood his leader to say

that he was not sure whether or not our policy would decrease the price of oil. My information at the present moment is, that the day after the Minister of Finance delivered his budget speech the price of oil was reduced two and a half cents a gallon to the consumer, and that is the best justification for the policy we have adopted.

Mr. ARMSTRONG. How long will you continue the bounty to the producer ?

Sir WILFRID LAURIER. There is no time limit contemplated in the resolutions. The policy of the government is to maintain it, so long as the conditions require that it should be continued.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Sir WILFRID LAURIER. Mr. Speaker ; we are now face to face with an amendment moved by the leader of the opposition, no doubt with the full concurrence of his party, by which the people of Canada are invited to abandon the policy under which this country has thrived and prospered this last seven years. It is now seven years since the Minister of Finance introduced the tariff which has since been known, and will long continue to be remembered by grateful generations as the Fielding tariff. When the Minister of Finance concluded his first budget speech in 1897, we on this side of the House believed that he had opened a new page in the fiscal history, nay, in the general history of Canada. Great were our expectations then, but greater still has been the reality. Under the Fielding tariff, Canada has developed as no country has developed during the same period. Our languishing industries have been revived ; new industries have sprung into life ; agriculture, long depressed and sore tried has flourished ; trade has more than doubled in volume ; the revenue has become unprecedentedly buoyant ; hope, confidence, national pride have risen high in the hearts of Canadians. The name of Canada, up to that moment scarcely known beyond her borders has since become a synonym for national progress, and an object of attention from the whole civilized world. True it is that during those seven years this tariff has been the object of constant carping and cavilling on the part of the opposition—an opposition which styles itself His Majesty's loyal opposition, but which never loses an opportunity to arouse passions and prejudices. It is also true, Sir, that during these seven years, the opposition has been forced to shift its ground more than once. Scarcely had the Minister of Finance uttered the last word of his budget speech in 1897, than the leader of the opposition arose and with tears in his eyes and indignation in his voice, he denounced the tariff which had been introduced as the death knell of the industries of Canada. In the face of what followed it was absurd to maintain that line of attack, and as Canada developed and prospered the opposition had to change their batteries and adopt other means of attack. They passed without compunction from one extreme to another ; from the extreme of vilification to what must have been to them the extreme of laudation, for they said that the tariff was simply their own tariff, the old national policy under another name. When the absurdity of this position became manifest, once more they changed their ground, and then stated that if the country had prospered it was not due to the tariff, but was the work of Providence. That has been repeated all through this debate. Well, Sir, I may tell my hon. friends opposite, that no one on this side of the House will take exception to that argument. We recognize that we owe an immense debt of gratitude to Providence. Providence has blessed us with good crops, good prices, buoyant revenue and increased trade, and I may say without boasting that for these blessings our prayers go forth to Heaven every day. I would like to invite hon. gentlemen opposite to join with us in those prayers, did I not fear that their gratitude would be insincere. In human affairs we know that Providence acts through human agencies and we are inclined to think that these gentlemen opposite cannot forgive Providence, because it suited Providence to choose us poor Grits to be the instruments through which to lavish His bounty upon this fair land of Canada, of which my hon. friends opposite are the fortunate though disgruntled citizens. In the 16th century there lived in France the celebrated surgeon, Ambrose Paré. He was eminent in his profession, and he was as modest as he was eminent. One day he was called to the bedside of an illustrious patient, and he was lucky enough to bring him back to life and health. On being asked how he managed to do it, he simply uttered these words : ' I treated him, God cured him.' My hon. friend the Minister of Finance, who is also a modest man, who adds modesty to all his other good qualities, was called in 1897 to the bedside of a patient endowed with a strong constitution, but whose constitution had been much impaired by empirical treatment ; and in the same way, he may say of this patient, ' I attended him, God cured him.' Mr. Speaker, hon. gentlemen on the other side of the House tell us, and repeat every day, that if the country is prosperous, it is all the work of Providence ; yet they are not willing to leave that work in the hands of Providence. They think—it is one of their pet notions—that they can perform the work much better than Providence can. This is the object of the amendment which they have placed in your hands ; and they expect that the Canadian people will take the work out of the hands of Providence in which they have placed it, and put it

into theirs. Well, I do not expect that because Providence is with us, the Canadian people will be against us, though that apparently is a reason why the hon. gentlemen on the other side of the House should be against us. Sir, when we adopted the tariff which has been in force since 1897, we did not act from any set notions; we did not pretend to give expression to any fad or any stereotyped theory; but we thought it was a tariff well suited to the needs of the country. We thought it was the application of practical notions to the requirements of all classes of our population. It was a tariff which was devised first of all to promote the revenue, and next, as an incident, to protect Canadian productions against foreign productions. It never entered our minds that this tariff was to be eternal—that it was to, like the laws of the Medes and Persians, be there for ever. My hon. friend the Minister of Finance stated on more than one occasion that the tariff should be revised from time to time as necessity required. He has been invited more than once to revise the tariff—invited by friends, invited by foes. Up to this year my hon. friend has resisted all such invitations; but to-day there are signs of the rising storm—signs of the rising of economic disturbance; and it would be well to trim our sails and set the ship, so as to have her ready to weather the storm. This is what is done by the changes this year. They are reform, and nothing but reform. My hon. friend the Finance Minister has stated that they do not go as far as he would like; and he has stated the course he intends to follow with reference to future changes. My hon. friend the leader of the opposition also proposes changes of the tariff, but very different changes. He does not propose to reform; he proposes to revolutionize. He practically says to the people of Canada, let us undo what we have done in the last seven years; let us tear out our tariff. Sir, it is always an easy task to destroy. The difficulty is to build up again. What is proposed by my hon. friend? He proposes to destroy the tariff, but what will he substitute for it? My hon. friend wants what he calls adequate protection. But what is adequate protection? He says it is—no, he declines to tell us. Again, I make a slip; but I am sure I can correct it without a murmur from the other side of the House. He has not declined to tell us what adequate protection means—he has not declined, because he cannot do it. He cannot any more tell us what is adequate protection, and what is not, than he can tell us the difference between tweedledum and tweedledee. The two things are not definable. My hon. friend has chosen to keep us in the dark as to his meaning. But though my hon. friend has not told us what he means by adequate protection, at all events we have it from his own lips, from the lips of some of his followers, and from some of his organs, what is at the bottom of his thought, and what he means by adequate protection. In his own mind it means high protection, the very highest protection, American protection. I I am quite warranted in what I say, that what my hon. friend means by adequate protection if he means anything, is the American standard of protection. I find this in the chief organ of the Conservative party, which is to-day, and has been for some months past, I may say for some years past, the Montreal 'Star.' The chief organ of the Conservative party is no longer the Toronto 'Mail,' the Hamilton 'Spectator' or the Toronto 'World,' but it is the Montreal 'Star,' which is like the sheep of Jacob—all the other sheep have to pay it obeisance. For more than twelve months the Montreal 'Star' has had this placard at the top of its editorial page, though I may say it no longer appears:

BUILD UP CANADA.

To the government of Canada.

Give the manufacturers, workingmen, and farmers of Canada the same kind of tariff as that which has made the United States the home of the most prosperous manufacturers, workingmen and farmers in the world.

To the manufacturers of Canada.

Force the government to give you as good a tariff as that which has made the American manufacturers rich. When you get this tariff, pay your Canadian workmen American wages.

To the workingmen of Canada.

Take a leaf out of the book of the American workingmen. Help your employers to obtain for themselves and for you a Canada-for-Canadians tariff.

To the farmers of Canada.

Profit by the experience of the American farmers, the wealthiest farmers in the world, who support a high tariff and prosper under it and because of it.

This, then, so far as it can be, is the adequate protection of my hon. friend. Therefore, if I am right in my conclusion, and I think I am, we have to choose between the Canadian tariff and the American tariff. If that be the issue, Sir, we on this side of the House are ready to accept it, and we stand by the Canadian tariff. It so happened that in the year 1896, on this continent there were two general elections, one in the United States and one in Canada. It so happened that in both countries the party in power was defeated. It so happened that in both countries the tariff was revised, but it was revised on very different principles. In the United States the tariff was levelled up; in Canada the tariff was levelled down. In the United States the McKinley tariff, which had been the highest tariff ever adopted by any naiton, was found to be inadequate—not high enough. It was supplemented by the Dingley tariff, which was still higher. In Canada the tariff of the day was considerably low-

ered. What was the result ? You have it in the condition of the two countries and the two peoples at the present time. In Canada you have hope, abundance, contentment ; in the United States you have dejection and almost despair. Who can doubt that ? True it is that immediately after the adoption of the Dingley tariff there was a boom, to use an American expression. Everything was booming. Capital flowed into many industries, because a fictitious atmosphere had been created which tempted adventurous men with money. Many industries were denuded of their legitimate capital in order that it might be put into trusts and combines ; and for a time everything was booming in the United States. That was the time when it was stated that England was invaded by American products. That was the time when the Montreal 'Star' advised Canadian workmen, manufacturers and farmers to adopt the American tariff. That was the time of combines and trusts. During the few years which followed from 1897 up till last year, no less than fifteen combines and trusts were organized in the United States. There was the coal trust, which as you know caused the largest strike which ever took place in any country, which almost created a revolution in the United States ; the iron and steel trust ; trusts on farm implements, on chemicals, on sugar, on tobacco, on paper, on glass, on leather, on rubber goods, on electrical apparatus, on radiators, on elevators, on flour, on clocks, and even on beef for some time. But the time came—and it was not very long—when, to use an American expression, the bottom was knocked out of this tariff, and to-day the United States are in a most deplorable condition. The steel trust, for example, which threatened at one time to capture the whole iron and steel industry of the world, is no longer a dangerous competitor, but is struggling for its own existence and has had to discharge thousands of its operators. The railways, which at one time had not sufficient rolling stock to carry their traffic, are discharging their operatives by the thousands. Within the last few months the Pennsylvania Railway Company—the largest in the States—has discharged no less than 11,000 of its operators, and the New York 'Herald' fifteen days ago published a statement, which has not been contradicted, that the total number of men discharged by the railway companies since last April is no less than 75,000. We have escaped all this. Our railways are doing good business and so are our manufacturers. Is this then the moment when we should abandon our tariff and adopt the American tariff ? Nor is this all. Many a time in this House we have been told of what wonderful things another very highly protected country was accomplishing. I refer to Germany. How many times have we not heard from the other side of the prosperous condition of the German people, how their trade was invading the world, how German manufacturers were even crushing the trade of old England ? Sir, while it may have been true for a time that Germany was making headway, what is her condition to-day ? Germany followed the example set by the United States, the same example which hon. gentlemen opposite urge us to imitate. Germany adopted a tariff copied largely from the tariff of the United States. And in Germany, as in the United States, trusts and combines ruled the roost. I have a list here of the German trusts and combines in operation in Germany, taken from the consular reports of Great Britain and Germany. There are combines in coal, iron, steel, sewing machines, farm implements, enamelled ware, chemicals, sugar, flour, twine, cotton and woollen yarn, linen goods, ribobns, lead pencils—nothing too small—wood pulp, cement, glass and rubber goods. Unfortunately, there as elsewhere the day of retribution came, and came also the inevitable crash. And in the year 1900, three years ago, Germany began to suffer the first pangs of depression and hard times. The trusts had absorbed a large portion of the capital of her land banks. The land banks commenced to fail right and left, and it is estimated that $200,000,000 of capital was lost by the failures of these banks. Wholesale dismissals of mechanics took place, and the wages of those who remained were gradually lowered. Strikes among the working classes have become a by-word in Germany to-day, and to add to all this, socialism has become rampant in that country, and yet this is the tariff you are invited to adopt in this country. I do not think that the Canadian people, in the full enjoyment of the results achieved under our tariff, will make the mistake of abandoning it at a time when the country is so prosperous.

But what are the objections raised against our tariff ? I listened this afternoon to my hon. friend, I have listened to this debate very attentively, and have heard the same song sung by every hon. gentleman opposite. We have been told again and again that our relations with our neighbours are not satisfactory, because the balance of trade against us with the United States is very large. I do not deny it. I wish it were otherwise. But if it is in that condition, it is not our fault but theirs, and they have much more to suffer than we. Trade between nations, to be profitable, must be like trade between individuals ; but unfortunately, while we are willing to trade with the Americans, they are not willing to trade with us. What is the remedy suggested by hon. gentlemen opposite ? They say, since the Americans will not buy from us, we should not buy from them. I am ready to adopt that policy to a certain extent; and so far as we can dispense with trading with the United States, I should be prepared to do so. But to tell us simply that the balance of trade is

against us is no argument at all. What we must look at is what is behind the balance of trade. To tell us simply that we have a balance of trade against us is an exploded argument, but I shall discuss it because it has been advanced again. It is such an old fallacy that I would have expected it to be discarded long ago. It is a fallacy so glaring and so manifest that I am almost surprised it should be advanced in a House like this ; but as it is pleaded, let us examine it. Bastien, in one of his books, gives a very striking example of how the balance of trade works. A ship left Havre, in France, in 1840 or thereabouts, loaded for New Orleans with a cargo of articles de Paris, valued at 200,000 francs. She reached New Orleans. The freight on these goods amounted to ten per cent and the customs duty to thirty per cent, and they were sold at twenty per cent profit. The sale therefore realized 352,000 francs. The money was immediately invested in cotton, and the same ship came back to Havre with a cargo of cotton. The cargo was charged in France with ten per cent freight and sold at twenty per cent profit, realizing 464,000 francs. Therefore the shipper made a double profit. He made a profit on his outward cargo of articles de Paris and also upon his inward cargo of cotton. He made over 100,000 francs altogether, and enriched himself and his country to that extent. But how did the entries balance in the customs ? In the customs returns there appeared an export value of 200,000 francs and an entry of imports to the value of 352,000 francs, showing thereby a balance of trade against France of 152,000 francs. Therefore, France, according to the argument of hon. gentlemen opposite, was a loser by the operation. But what followed ? That same gentleman, encouraged by his first experience, thought he would tempt fortune again, and he shipped another cargo of the same goods to New Orleans, valued at 200,000 francs. Then an occurrence happened which would cheer the hearts of my hon. friends on the other side. The entry in the customs returns showed an export of 200,000 francs from France, but the ship was lost at sea, and therefore the balance of trade remained in favour of France to the extent of 200,000 francs. This is an apt illustration of the logic of the hon. gentlemen opposite. Let us, Mr. Speaker, be spared this bugbear of the balance of trade because it is simply a nonsensical bugbear. Let us go beyond the figures and examine the situation.

Last year our imports from the United States all told, including bullion and everything else, amounted to the very large figure of $137,000,000 and our exports only amounted to $71,000,000, showing a very large discrepancy between the two. These are the figures which startle my hon. friends opposite and lead them to exclaim : How can it be possible that we should trade with such a country ? She sells us $137,000,000 worth and will only buy $71,000,000 worth. Is there not something wrong ? Well, let us examine. First of all, out of this $137,000,000 imports from the United States the goods on the free list amount to no less than $69,000,000.

I ask any hon. gentleman on the other side whether we could dispense with any of these goods ? That is the question. Could we, for instance, provide our own raw cotton ? Can we provide the coal that is needed for use in Ontario ? Can we produce many other of the articles that are required in connection with our industries ? Sir, this free list has been canvassed and compared with the greatest care possible. It has been made to include only raw material or products which the country cannot manufacture at all or cannot manufacture with success. Therefore, I say we cannot dispense with the goods imported from the United States which are on this free list. I have never heard in this House, outside of one item, any exception taken to this free list. The only objection taken is with reference to the matter of corn. We have been told more than once that corn ought not to be on the free list. I take issue at once with our friends opposite on that point and declare my opinion that when we put corn on the free list we conferred on the farmers of Canada one of the greatest boons we could confer upon them. The result has been an increase of the exportation of our animal products, especially the products of our pork-packing establishments. On the other hand, there are some articles that, we are told should be on the free list that are now dutiable. For instance, it is said that coal should be on the free list. We have not thought it possible to make this change, though I must say there are many good reasons why it would be advantageous to have coal free. It so happens that on this continent the distribution of coal is peculiar. On both shores, the Atlantic and the Pacific the coal beds are in Canada ; in the centre of the continent the coal beds are in the United States, it would seem natural under such circumstances that we should have reciprocity in coal. That policy would be to the advantage of the Americans on the Atlantic and on the Pacific, and to those Canadians who live in the interior. Up to the present time we have thought—and in that I think we are supported by hon. gentlemen opposite—that it would be advantageous to put coal on the free list but that we had better keep the duty on it in order to have if possible, the exchange of that commodity in the near or distant future as the case may be. I have here a list of some of the leading dutiable articles coming from the United States to this country. Let me examine briefly some of the articles in that list. The first is coal oil crude and refined, of which we import $1,414,319. Could we dispense with that ? Everybody would be very glad if the

Canadian oil wells could produce all that we need. But they are insufficient. We have tried it again and again, and all that they can furnish is about one-third of our consumption. Therefore, we must have American oil. Then, there is bituminous coal of which we import about $7,000,000 worth. Can the people of Ontario dispense with the coal of Pennsylvania and Ohio? Of coal dust we import about $400,000. That also is necessary. Of sugar and molasses we import $352,000 worth. Molasses is on the free list. Of locomotives, we import $1,106,521. We have some plants in Canada for the manufacture of locomotives, but, unfortunately, they are insufficient for the requirements of the country. We must import American locomotives whether we wish to or not. There is a duty on locomotives which must be paid by the Canadian railways whenever they import the locomotives from the United States. They would prefer to buy locomotives in Canada, but they cannot find them here and they must go to the American market for locomotives. Of fertilizers we import $100,000. We cannot dispense with that. Our importation of rails from the United States amounted to only $86,000. Our rails came chiefly from Europe. In the case of this article, what can we do more than we have done? We are all anxious to have rails manufactured in Canada. Last year, we put a duty on rails, to become effective as soon as they are manufactured in this country, and we are still waiting for somebody to undertake this manufacture. Oranges and other tropical fruits—our imports were $600,000. We imported of printing paper $246,000 worth. Who can cavil at that? We have a duty on printing paper, but it was reduced some years ago. That reduction was made at the prayer of the press themselves, because there was a combine in Canada who were exacting an undue price from them. In order to relieve them from the influence of this combine we reduced the duty, I believe, to fifteen per cent. Altogether this list covers items of importation under duty amounting to $12,000,000. And I am sure that I am within the mark when I say that we have to import these articles from the United States and could not get them from anywhere else. This list added to the free list of $69,000,000 makes a total importation of these articles free or dutiable of over $80,000,000 where we benefited by the American trade. Now, let us pass to other articles which we import from the United States on the dutiable list. Somebody will ask me—in fact the question was asked this afternoon—why do not you manufacture these articles in Canada? Sir, we have a tariff against the United States varying from 25 per cent to 35 per cent, an average of 28 per cent. Under that tariff manufactures ought to thrive. I am told, however, that they do not thrive and that we ought to increase the tariff. For my part, I am always prepared to consider the case of an industry which, being in existence, finds itself pressed by foreign competition. But, when I am told that we should increase the duty with a vague expectation that, by so doing, we shall found an industry and build it up, I am always more or less sceptical. I am sceptical because of the experience of the Canadian people as I have seen it exemplified in this House. I remember the occasion—I was sitting on the other side of the House; it was in 1885 or 1887—when Sir Charles Tupper then acting as Minister of Finance introduced what was called the iron policy. He more than doubled the duties that had, up to that time, been paid on iron, and he made bold to say that within five years, Canada would produce all the iron needed for our market. Well, nearly twenty years have elapsed since that time. In the meantime, not satisfied with the duties placed upon iron, the government of that day introduced legislation to give bounties upon the production of iron. And still the industry did not thrive and prosper. Not satisfied with this, the present government increased the bounties given to iron producers. And what is the result? To-day, the iron industry of Canada is not able to supply the wants of the Canadian people. It has not been a success. And, though the Canadian people have been paying heavy duties and heavy bounties ever since to establish that industry, yet, after more than fifteen years, we have not reached the goal which I hope we shall reach some day or other. But there is one class of goods which come from the United States, which have come in in a manner which we regard as undue and to which we want to put a stop. That is the class of goods that have come in by dumping and slaughtering, by making Canada a dumping ground and slaughter market. We have taken means to prevent that if we can.

My hon. friend rather jeered us this afternoon when he spoke of the policy we have introduced upon this subject. He asked how this policy could be conciliated with the old declarations of free trade. Sir, I care not for theories, I want to be practical, and this country must be practical above all things. Well, Sir, let me say this, and I think I am speaking words which will be understood by everybody, the last word on free trade and protection has not yet been spoken. The conditions of manufacturing are changing every day. The shoemaker, the cabinet maker, all the old craftsmen with which we were familiar in our younger days, have disappeared. Formerly, in every village, boots, and shoes and furniture were made by the people of the locality. The shoemaker, the tailor, the cabinet maker were artisans in every locality. They have all disappeared. To-day these things are all made in large brick manufactories, where there is a great aggregation of capital, where there are thousands and

thousands of men congregated, not only men but women and children also. But if it so happens that through new methods which have been adopted in highly protective countries such as the United States and Germany, if it so happens that large combinations engaged in manufacture, after supplying the local market, resort to slaughtering their goods, in this country for example, flooding the market and depriving our artisans of their work, scattering them, ruining the capital which has been invested in them, I say that under such conditions theory must be abandoned, and it behooves every parliament to try to remedy such a situation. That is the thing we have to do at the present moment.

How will our policy work out, was the question put us this afternoon by my hon. friend. It will work out in this way: As soon as it has been shown to us that an article is being slaughtered in this country, then the Minister of Customs will immediately be able so to arrange the tariff and so to tax that article as to make the slaughtering of the article impossible of accomplishment. A few months ago I was shown an invoice from Detroit in which an article was set down at a certain price for the American consumer, and at another price, at least 30 per cent below, for the Canadian consumer. This is the regular practice, and I know there are business men in this House who are aware that this is the regular practice, where American shippers, American manufacturers make invoices in which there are double prices, a price for the American consumer and a price for the Canadian consumer. I may be told: But is it not to the benefit of the Canadian consumer? Certainly it is to that extent. My hon. friend the Minister of Finance dealt with that question in his budget speech. It will be to the profit of the individual consumer who may purchase that article at a cheaper price than it can be sold in the United States. But whilst it may be a benefit to the individual Canadian consumer, it is to the detriment of our community as a whole, because it throws a number of our people out of employment, and causes the destruction of large amounts of capital invested in these industries. At all events, such is the policy we have adopted, and I think it will work well. But I may be told: Why, instead of making a contingent tariff that will go up or down as necessity arises, why not make it absolute so that it will apply under all circumstances? For this reason, that we do not wish to tax the Canadian people on other industries without any profit to the Canadian consumer; therefore we have preferred, instead of adopting a regular, absolute, and tyrannical tariff, to adopt a contingent tariff that will go up or go down as the circumstances of the case may require. At all events, this is an experiment. It is not only an experiment, but it is a new device which has been introduced into the world, because I do not think that anything like it has before been tried anywhere. We invite the fair consideration of our friends on the other side of the House to this policy. We have prepared it according to our best judgment, and we think it ought to work satisfactorily, and will destroy an evil which is becoming manifest in modern industrial conditions. We have in this country, as in other countries, and indeed in all countries, manufactures carried on under a customs tariff, whereby a fictitious atmosphere is created, artificial conditions, under which manufacturers are carrying on their operations. They have a right to expect therefore that the condition of things under which they have built up their manufactures shall be maintained. This policy which we have adopted we believe will commend itself to the fair judgment of the Canadian people the more it is debated and discussed.

Now, Sir, I have stated the policy of the government upon this occasion. This is not, as has been stated, a regular revision of the tariff. That may come or it may not come, it will depend upon circumstances. At all events, there is one thing which I think we ought to do. We are not above being instructed. We are not above receiving outside information. My hon. friend rather jeered us this afternoon because we proposed to make an inquiry into the industrial condition of the country. If there is one thing for which the country will be grateful to my hon. friend the Minister of Finance it will be this, that he has announced that at the proper moment he will have an inquiry made into all the conditions which at present regulate Canadian manufacturers and Canadian production. I have no doubt that we will receive valuable information, we will receive instruction. We will not be above receiving information, and acting upon the information received, as the occasion may demand it, and as opportunity arises.

Sir, we have now been eight years in power. That is not a very long time in the lifetime of a nation, though it may be perhaps a long time in the life of a party. But after having been eight years in office I think I can say in the presence of friends and adversaries that we have not been imitators, we have been ourselves. We have not walked merely in beaten paths, we have hewed out our own way. We have altered our policy according to the difficulties that arose, and we have endeavoured to solve the problems as they presented themselves to us, not by the application of antiquated formulae that had been in vogue in older communities, but by framing a policy that would be applicable to our own conditions and to our own circumstances. In the first budget speech which was presented to this House by my hon. friend the Minister of Finance, we introduced a preferential tariff. We did

not imitate any other nation, we were the originators. We adopted a policy which we thought suited to our condition, both as a colony and as a young nation, believing it to be in accord with sound economic conditions. We adopted a policy which we thought would advance Canadian trade with Great Britain, our mother country, and which would at the same time afford considerable relief to the Canadian consumer. A year ago we imposed the German surtax. In doing so we did not borrow legislation from other countries, we devised a remedy which we had reason to believe would compel a powerful nation to give us the fair treatment which that nation denied us, or at all events, would force it to respect us. This year again, in order to meet a modern evil which has resulted from new methods in highly protected countries, we have invented a policy which we have every reason to believe will prove entirely effectual. As it was in the past so it shall be in the future; we shall face any difficulties, we shall face any problems as they arise and we shall endeavour to settle them by ways and means altogether Canadian in their conception, altogether Canadian in their character.

Mr. ANDREW BRODER (Dundas). Mr. Speaker, I do not intend to detain the House at any great length but I wish to make a few remarks on some of the things referred to by the Right Hon. Prime Minister (Sir Wilfrid Laurier) who has just taken his seat and then to deal with some matters which should be touched upon. I was rather amused at the statement of the right hon. gentleman when he said that the speech of my hon. friend the leader of the opposition (Mr. R. L. Borden) reminded him of his old friend. It was an old friend that he was bringing to life. Well, all I wish to say is that we will never be able to cause hon. gentlemen opposite to bring in their old friends. They will never be accused of standing by their old friends, and I have noticed that whenever an intimation is given by the right hon. gentleman or by any of the members of his cabinet, that they intend to invite to their presence even in the smallest degree the friend of my hon. friend, protection, they are cheered to the echo. They would like to make him their guest. They are stealing him inch by inch. But, they will never be found standing by their old friends. They remind me a good deal of a character in the book of Dr. Drummond—Batiste Trudeau. He went away from home and when he came back he came on the fast express. When he got home he did not know some of his old friends. He could not drink the old whisky, or eat the old food, or smoke the old cigars, but by and by Batiste came home in the caboose of the freight train. It is in the caboose that hon. gentlemen opposite will come home, and when they do they will know their old friends. They are on the fast express now riding roughshod over all their principles. I heard the right hon. gentleman state in 1895 in my own riding, in the town of Morrisburg, that the goal of the Liberal party was free trade as it was in England and that they would stand by that principle to the death. Why are they changing? They are turning their backs on every profession they ever made and the right hon. gentleman's party are cheering to the echo every intimation that they intend to adopt protection. They are trying to get away from themselves. I do not blame them for trying to get away from themselves. If I were ever in their company I would be one of the first to try to get away from them. England has had free trade for fifty years. They claim that they have improved the conditions of this country. The right hon. gentleman gave us the reason why a large expenditure was necessary by saying that this was a young country. When he was discrediting and condemning expenditure ten years ago the country was younger then than it is to-day. The right hon. gentleman speaks about the changed conditions. Sir, every man in this country knows that but for Manitoba and the Northwest having been opened up our factories would be filled to the doors with unsold goods. Who deserves the credit for having opened up that country? The Conservative party built up that country, as the ancient city was built up with sword in one hand and trowel in the other, fighting hon. gentlemen opposite. They deserve the credit. Providence forsooth. Balaam wanted to serve God but he wanted to serve him in his own way, until the ass had to tell him he was wrong.

Some hon. MEMBERS. Oh, oh.

Mr. BRODER. Balaam was riding the ass and he must be on that side of the House. There is no trouble on that score. We will see about this patient that the right hon. gentleman referred to. He referred to the patient being very ill when they came into power and he said that they had administered the medicine and that the providence had cured him. Let us see whether they administered the medicine that they had prescribed for the patient. Let us look for a moment at the doctor's book, let us look at the records of the drug store and see whether or not the hon. gentlemen gave the patient the medicine they prescribed. I am sorry the right hon. Minister of Trade and Commerce (Sir Richard Cartwright) is not in his place because he is the mouthpiece of his party and he is the man who gives Pointers Nos. 1 and 2 when he goes to Toronto to speak on behalf of his party and instruct the country as to the keynote of their new policy. What did the right hon. gentleman say in 1894? Take 'Hansard' of March 28, 1894, page 314 and see the prescription that the right hon. gentleman laid down for this sick patient:

Sir, I think calm reflection on the part of our people will endorse the statement that Canada to-day, above all things and before all things, must be made, if it is going to prosper, a cheap country to live in and a cheap country to produce in. More than that, Canada, above all and before all things, must have access to larger markets, and notably to the most important of all markets, the market which lies to the south of us.

That is the prescription that was laid down for the patient but have they given the patient the medicine which they prescribed ? The patient is well without that remedy. They dare not apply the remedy and they know it. Nobody knows it better than the right hon. leader of the government. They never applied the slightest portion of the remedy that they proposed for this country, they dare not live up to their professions and principles and they dare not apply them. Then, the right hon. leader of the government says that we would introduce the American tariff. What is portrayed in the speech of the hon. Minister of Finance (Mr. Fielding) ? He has proposed as the goal of his party in the future a minimum tariff, a maximum tariff and a preference. That maximum tariff is to meet the maximum tariffs of other countries. What does that mean if it does not mean in part at least the application of the American tariff to this country ? He has fixed his tariff in his coal oil deal for the express purpose of encouraging the greatest monopoly that the United States possesses to-day—the Standard Oil Company. He refers to Germany as a country that has combines. Has not England combines with her free trade policy ? An American combine has dictated to some extent the policy of hon. gentlemen opposite. They have allowed them to use tank vessels to bring oil into this country in order to coerce our Canadian industry and now they are putting down the duty so as to enable them to bring crude oil into this country, in competition with the wells which the right hon. gentleman says are being kept open by the bounty which the government are giving. When the right hon. gentleman makes a statement that but for this bounty every well in Canada would be closed, where was the right hon. gentleman when he was preaching free coal oil in this country a few years ago ? He wanted to close every well in this country. That must have been his goal. Why not apply the remedy ? He says : We built our public works out of the surplus. Does any man pretend to say that it is a correct policy to tax the people on the ordinary articles of consumption for public works ? This is a new principle in this country, and Sir, I want to say while I am on my feet that number of boxes of cheese shipped from Montreal as a whole. Now, let it be remembered that this cold storage output is shipped from Montreal, because it is shipped during the warm months while the port of after year and while turning their backs on their principles they pretend that they are applying their surpluses somewhere else.

And as to reviving the industries ; have the woollen industry and the steel industry been revived ? It is a peculiar thing with these gentlemen that when the doors of an industry are closed under their policy, they take enough of the old Conservative policy to pry the doors open again, and then they shout 'hurrah boys' all along the line. It is not the policy of the Liberal party that helps the woollen industry ; you had to take some of the Conservative policy to do that. The right hon. gentleman is not willing to trust Providence altogether. He is like the old Methodist minister who came home from the conference on Saturday night to preach on Sunday, and who was hurrying back on Monday morning. One of his people asked him : why are you in such a hurry ? And he replied : I must get back because the stationing committee is in session. His friend said to him : why don't you trust in Providence ? And the minister answered : I trust in Providence, but I don't like to trust Him with the stationing committee. And so, the Prime Minister will not trust Providence under certain circumstances ; neither would I, if I were in his place.

Now, the most pernicious form of protection may be a bounty ; it gives us no revenue, it does not give you a market, and it takes revenue out of the public chest. And yet the right hon. gentleman praised highly to-night the bounty they are giving to crude oil and steel.

I wish to refer now more particularly to the policy of the government in relation to the dairy products of this country. A great deal has been said which is wide of the mark by hon. gentlemen opposite on this question. I would not like to say anything unparliamentary, but I think it would be perfectly parliamentary to say that some of these gentlemen opposite can make a little truth go further than any men I ever saw. For instance, the gentleman from West York (Mr. Campbell) in eulogizing the Minister of Agriculture made this statement, speaking of cold storage :

He has established the system on the railways throughout the Dominion, giving the railway companies a bonus to induce them to fit up their cars so that perishable products would be carried from the farmers' doors to the world's markets.

That statement is made all over the country by Liberal speakers, and that statement is not true. I will read from the report of the hon. Mr. Fisher himself to show that the statement is not true. In his report of 1896, which embraces six months of the Conservative regime, and six months of the Liberal regims, the Minister of Agriculture makes this statement :

A cold storage for the safe carriage of butter was begun in 1895. Arrangements were

made whereby refrigerator cars for carrying butter were run during the summer on the main lines of railways leading into Montreal. These cars were used to pick up small lots of butter as offered at the different railway stations. Shippers by these cars were allowed to ship butter at the usual 'less than carload rates' without any charge for icing or special service As far as space permitted, merchants were allowed to use these cars for the shipment of dairy and creamery butter between points at which the cars touched. During 1895 cars were run for at least part of the season on the Grand Trunk and Canadian Pacific Railways

Here we have the positive statement made by Hon. Mr. Fisher in his report, that the arrangement for carrying butter on cars from the producers' factory to the port of outlet, was made by his predecessor; and yet the member for West York (Mr. Campbell) gives the present Minister of Agriculture the full credit for it. I think this statement should set that question at rest. While the Minister of Agriculture and his friends take such wonderful credit for the increase in shipments of dairy produce, let us see whether or not they are keeping pace with our competitors. It is all very well for these gentlemen to eulogize the Minister of Agriculture (Hon. Mr. Fisher) and to declare that there was nothing done in this country until the Liberals came to power, but let us look at the record. I quote from the report of the Department of Agriculture for the year 1895, and the Liberals were not in power then.

The action was followed by the inauguration of the cold storage service, in which arrangements were made whereby refrigerator cars for butter were run during the summer on the main lines of railway leading to Montreal. These were used to pick up small lots of butter offered weekly. The shippers of butter by these cars were allowed to ship at the usual 'less than carload rates' without any charge for the icing or special service. As far as space permitted, merchants were allowed to use these cars for the shipment of dairy and creamery butter between points at which the cars touched.

Now, that is an extract from the report of the Department of Agriculture for the year 1895, and yet hon. gentlemen opposite will get up in this House and say that the Liberal government instituted this whole business. This extract proves that the formula laid down by the Conservative party before they left power has not been exceeded by hon. gentlemen opposite. Further than that, they have not opened to us one new market that we did not have when the Conservatives were in power. In the trade returns there is a larger amount shipped under the heading of 'other countries' but every country we ship to now we shipped to exactly the same country when the Conservatives were in power. But the most serious part of it is, that these gentlemen opposite with all their boasting are not keeping pace with our aggressive competitors, and that is a very serious matter for the Canadian farmer.

Instead of eulogizing each other through the country, these hon. gentlemen might better sit down and study the conditions of the markets to which we ship our products, and endeavour to overcome the difficulties that hinder us in those markets. Now, I will take the liberty of proving the statement I make. I have some figures here compiled from the English trade returns, with this exception, that, as the shipments of butter made from Canada through Portland in the winter are credited to the United States, in order to guard against any inaccuracy in the statement, I have rectified that by taking our own full returns without giving any credit to the Americans for any part of the butter or cheese shipped through Portland. In 1896 Canada shipped 5,889,241 pounds of butter of 1·73 per cent of what England imported; in 1903 Canada shipped 24,283,271 pounds, or 5:34 per cent, which is ½ of 1 per cent less than we shipped the year before. Victoria shipped 17,344,880 pounds in 1896, and 10,995,824 in 1903. New South Wales shipped 871,024 pounds in 1896 and 2 281,552 pounds in 1903. New Zealand, which will be one of our most serious competitors in the future, shipped 6,313,776 pounds in 1896, or 1·85 per cent, and in 1903, 27,986,448 or 6·15 per cent. Russia—and here is a most extraordinary thing to prevail as against Canada—in 1896 shipped to Great Britain 17,002,160 pounds or 4·99 per cent, and in 1903, 54,244,736 pounds, or 11·93 per cent—away ahead of Canada, notwithstaning the boasting of hon. gentlemen opposite. Is that the kind of thing that ought to prevail? And I might say right here that the greater bulk of that butter is shipped from Siberia. If Canada is not able to compete with Siberia under such wonderful rule as she gets from the other side of the House, it is time our people did something about it. Sweden shipped to Great Britain in 1906, 36,268,848 pounds of butter and in 1903, 23,769,984 pounds. Denmark, a country that might be compared with the province of Ontario, with about 2,000,000 people, sent to England in 1896, 137,623,808 pounds of butter or 40·45 per cent and in 1903, 198 425,248 pounds, or 43·63 per cent. In other words that little country of Denmark is supplying England virtually with one-half of all the butter she imports. If England would bring the 48,000,000 acres of tillable land which she has to such a state of cultivation as lands in Denmark and Sweden, she would not need to buy a bushel of wheat or a pound of butter or cheese from abroad. I want to call the attention of this House to another feature of this return which is very serious. England has increased her import of butter from 1896 to 1903 by 114,572,192 pounds. What part of that increase has been contributed by Canada? I want to draw the attention of this House and the country to the fact

that notwithstanding the boasting of hon. gentlemen opposite, of that amount—taking into account the falling off in the imports from the other countries—Denmark has contributed 60,000,000 pounds, Russia 37,000,000, New Zealand 21,000,000, Holland 12,000,000, and Canada 18 000,000 pounds. Hon. gentlemen opposite need not stand up and boast of what they have done for the prosperity of this country while they have this problem to deal with. Hon. gentlemen say they are practical. They are not as practical as Siberia, New Zealand or Denmark. We can apply the same argument largely to the greater proportion of the products which Canada is obliged to export. Turn up the records, and see the quantities that Holland, New Zealand, Australia and other countries ship to England, of meat and the other products in which Canada is supposed to be largely interested. The farmer of Canada is face to face with this serious fact, that he is confined to fewer articles to-day out of which he can make money than he was twenty years ago, and in the near future he will be confined to still fewer. There is a problem which confronts hon. gentlemen opposite and every public man in this country. While we are shouting, prosperity, prosperity, prosperity, the Greeks are at the door. What have hon. gentlemen opposite done for the farmer, with their wonderful expenditure and their $57,000,000 of surpluses which they have had since they have been in power? How much money have they spent on the farmer's industry? They have spent a great deal on post offices for villages containing 500 or 600 people, on wharfs in the county where the Finance Minister proposes to run, and where they are not needed in the public interest; but what have they given the farmer? I find that the provincial governments have expended in 1902 in the interest of the farmer the following amounts:

Ontario	$234,340
Quebec	217,359
Nova Scotia	10,967
New Brunswick	31,483
Manitoba	130,852
Prince Edward Island	6,251
British Columbia	15,426
Total	$646,678

Now, notwithstanding the millions of surplus which hon. gentlemen opposite had under their control, the Dominion spent in 1902, the following amounts in the interest of the poor farmer for whom they profess such consideration:

Aid to agricultural societies	$ 7,000
Experimental farms	101,941
Printing and distributing reports	4,000
Agricultural and dairying, including cold storage	187,688
Promoting dairying interests	21,731
All told	$322,360

or less than half a million dollars out of the $57,000,000 of surpluses which the Finance Minister boasts of. What a miserable amount to dole out to that numerous body of people who are the source of our prosperity. What have the government done to improve their condition? They give the farmer a miserable $300,000, and then leave him to plough his furrow alone, no matter how long it may be. In 1903 the aid to agricultural societies was $7,500, a very small amount each. To experimental farms, $89,974; printing and distributing reports, $7,000; fumigating stations—that should belong to the quarantine—$3,200; agriculture and dairying, $210,000; or a total of $317,192 to the large farming interest—this great interest which must succeed if the country is to succeed. Then what was given by the provinces? The amounts expended by the provincial governments are as follows:

Ontario, 1903	$378,846
British Columbia, 1903	15,699
Manitoba, 1903	144,570
Nova Scotia, 1903	36,000
Quebec, 1903	234,162
New Brunswick, 1902	31,488
Prince Edward Island, 1902	6,251
	$848,006

Let us compare these grants with what the federal government of the United States pays. I shall not deal with the several states of the union, some of which spend very liberally on the farming interests and others less, but shall simply compare the expenditure by the federal government with ours since 1896. The federal government expended as follows:

1896	$2,905,569
1897	3,025,480
1898	3,193,308
1899	3,493,375
1900	3,625,851
1901	3,963,897
1902	4,579,990
1903	5,332,357

They go up into the millions to encourage the farmers of that country, and our country which boasts of millions and millions of surpluses doles out to its great farming interest the miserable pittance of $300,000 odd dollars. Then these gentlemen expect the farmer to press them to his bosom and weep over them.

There is a great deal said about the price of cheese, and listening to hon. gentlemen opposite one would think that cheese did not bring any price at all when they were out of office. But what were the prices then? Let me take the seven years previous to their coming into power and the seven years since, and see how the prices compare. During the seven years previous to the advent of the present government, or previous to 1896, the average price of cheese was 9 5-10 per pound. Since these gentlemen have come to power the average price is 9 8-10 cents in other words, with all their boasting, 3-10

of a cent is all the difference in price, and that is largely due to the high prices of last year alone. And should the present decline in the market continue, that 3-10 of a cent will disappear. These hon. gentlemen opposite do a great deal of boasting, but the Conservative party did good for their country and made no fuss about it. They did their duty as public men, but hon. gentlemen opposite, in everything they do, are actuated solely by party interests. You will find that spirit permeating the whole party, and you will find that every one supporting it is actuated by the hope of some day getting into some government position. The government know how many are rapping at their door. Go up and down the canal banks around the St. Lawrence, and you will find men tumbling over each other drawing good pay from the treasury, but doing very little work. They discharged one man, Dr. Hickey, on the plea of economy —a man who was one of the most efficient superintendents on our canals—and they have only put three men in his place. There was an old buoy boat, and if the late government took a man from that boat and employed him cutting weeds along the canal these hon. gentlemen raised a great outcry about economy. But since they have had charge of the canals they have got another boat and another lot of officials, which is the way they understand economy in the interests of party.

So far as butter is concerned, what do we find? Nobody in this country has a more vivid recollection than myself of the various changes in the butter business. When we had the old system in force, when the farmers did their dairying in their homes, we succeeded in getting good prices, and that business flourished until the Danish butter drove our farmers' dairying butter out of the market, and those who were engaged in the business lost heavily. But butter has never been as cheap in this country as it was in 1878, the last year of the Mackenzie administration. It was then selling at from 8 to 10 cents all through August, September and October. That was the last year of the Grit regime, and what was the effect of that depression? The effect of that was to largely drive our farmers into the production of cheese. The system of making butter at home became to a great extent replaced by the making of cheese, because the prices for the latter were more remunerative. For some years, therefore, our people largely discontinued producing butter, and the Conservatives then became mainly instrumental in inducing our farmers to take up that business again. The plan laid down by the Conservative party, which these hon. gentlemen opposite have been obliged to follow, was to establish a system of instruction throughout the country, under which lectures on the art of butter making were given in the provinces of Ontario, Quebec, Nova Scotia, New Brunswick and Prince Edward Island. Any man who can recall the circumstances in Prince Edward Island will admit at once that the butter making interest, which is so prosperous down there to-day, was put on its feet by the Conservative party. In fact the foundation of the whole business was laid by the Conservative party in the island, just as it was in all these other provinces. To prove that statement I need only refer to the report of the Minister of Agriculture for the year 1896. Speaking of the encouragement given to the butter interest, he says in his report of 1896 that as the result of what the previous government had done there was exported from Montreal during the shipping season of 1894, 32,055 packages of butter, and during the season of 1895, 69,664 packages. And in 1896, the last year of Conservative rule, 157,321 packages were shipped, which shows that the ratio of increase during the last three years of the Conservative regime was due to the efforts of the Conservative party to establish this industry on a sound footing, and it shows also the present condition is also the result of the Conservative policy being continued by hon. gentlemen opposite. There has been no change whatever made by these hon. gentlemen in that policy beyond some improvements in the matters of cold storage. I am quoting from the report of the Department of Agriculture for 1896, which acknowledges this result from the policy of the previous government.

Now, let us look, at the item of cheese for the moment. And in this case also I turn to the official report for my facts. Yet it is a very peculiar thing that, while there is so much credit taken for the cold storage system, the number of packages of butter and cheese and so on going by cold storage is given in one year and is not given in the next. The fact is that some years it has not proven successful, and the minister did not want to give the facts then. But the people ought to know the facts. They pay the money and they have a right to be able to judge what advantage the expenditure of that money is bringing to them. But there is no continuity in the publication of the figures so far as that is concerned, and it is not possible to understand just what the results with regard to this system have been. I have here the report of the Minister of Agriculture for the year 1903, and from this report it appears that 43,800 boxes of cheese were shipped by cold storage. Now, we are told that this cold storage system is what has caused the great increase in this industry. Let us see. I have here a little pamphlet, called 'The export trade of the port of Montreal,' issued by the Montreal Board of Trade. This gives the number of boxes of cheese shipped from Montreal as a whole. Now, let it be remembered that this cold storage output is shipped from Montreal, because it is shipped during the warm months while the port of

Montreal is open, say from the 15th of May to November. The railways carrying this product converge at Montreal, and practically all the cheese brought in during that time is sent to that port except some few boxes which may go to Portland. In the year 1903, the total number of boxes of cheese shipped from Montreal was 2,395,932. We have already seen that the number shipped in cold storage was 43,800. So, about one box in fifty of the whole export was shipped in cold storage. This one box, apparently, was so cold that it kept the other forty-nine frosty. So, because one package out of fifty went by cold storage, we are to give all the credit of the increase in the business to the Minister of Agriculture.

There is another little matter. I want to call attention to. The Minister of Agriculture—and I suppose he is in cold storage now ; I don't know how that is—says that we shipped butter for the years given according to this table :

1898..	209,172
1899..	429,734
1900..	227,863
1901..	410,893
1902..	525,735
1903..	335,395

Here is a marked falling off in 1903. And what reason does the hon. minister give ? He says :

> There was ample space for all the cargo offered, either for cold storage or cooled air. It may be noted that there was a falling off in the shipments of butter for the season of 1903. This was due to the relatively high prices for cheese, which induced the combined factories to make cheese instead of butter.

That is a most extraordinary statement and one that of itself needs explanation. But we are left all the more to wonder what the explanation can be when we turn back only two pages in the same report and find there:

> The quantity of butter exported that year was 34,128,944 pounds, an increase of over 7,000,000 pounds.

It is no wonder that the rank and file of the hon. gentlemen opposite tell things that are wide of the mark when the Minister of Agriculture will tell us in so many words that the reason why we shipped so little butter is that cheese was high and yet in this same report show that we shipped 34,000,000 pounds of butter in 1903 as against 27,000,000 in 1902.

Now, there is just one other matter I wish to speak of before I sit down—and it is high time that somebody talked about it. There is a great deal of boasting by hon. gentlemen opposite about what they have done for the farmer. Thank God, the farmer is able to take care of himself in Canada, and it is a good thing that he is, because if he were not, he would be sure to come out behind in the race. These hon. gentlemen opposite boast about their Minister of Agriculture. What has he done to assist the progress of the farmer ? It is the energy and push of the people of this country that has pushed him along, just as you would push a wagon up hill. What has he done to put the people on the soil? How many people did he induce to go upon the soil in the last decade? If we are going to create a true Canadian sentiment in Canada and bring into harmony with Canadian feeling the great foreign element which is coming into our country we must put people on the soil. These hon. gentlemen ought to consider that question. Now, the increase in the population of Canada according to the last census was 538,076. The rural population in 1891 was 3,296,161, while, in 1901 the rural population was 3,349,516, or an increase in the rural population during the ten years, during five of which hon. gentlemen opposite were in power, of 53,375. This is against a total increase in the population of 538,076. In other words, we put into the cities, towns and villages through the policy of hon. gentlemen opposite, 485,701 souls and only put upon the boasted soil of Canada 53,375. And then they talk about what they are doing for the farmers of this country. They have succeeded in putting one man on the soil and nine men into the cities, towns and villages. That is the outcome of what hon. gentlemen opposite have been doing for Canada according to their own figures. Is there any remedy for this condition of things ? I am ready to admit that every country has more or less trouble with this question, but I say that the conditions of this country are so different from those of others that there is not justification for such a state of affairs here. Is there any remedy ? It is well understood that the cities, towns and villages are being made more attractive to the people of Canada, electric light and electric cars, and all these other things are attracting the young and the ambitious, and, Sir, there ought to be some corresponding attraction to fasten the people to the soil. Are hon. gentlemen opposite dealing with that question ? Sir, they have not touched it. Is there no possibility of making the farmers' home more attractive ? Is there no possibility of making the boy realize that there is room for his ambitions on the farm ? Sir, hon. gentlemen opposite have taught the people of this country too constantly and too exclusively, with regard to the farmers' business, that it is to be looked at only from the standpoint of whether it will pay or not. Is there no other consideration that ought to weigh with people than the mere question of five or ten cents on one side of the account or the other ? Yet, that is the only cry throughout the country—will it pay ? I can tell hon. gentlemen opposite that the serious economic and social problem that stares Canada in the face is the fact that our people are leaving the soil. It is not in the power of their petty policy from the tariff to reverse the current. I do not,

for one, propose to circumscribe the ambitions of any boy in this country. But it should be pointed out to every boy on the farm that while he hears great things about the one man who goes to the city and succeeds, he does not hear anything of the nine out of ten who, going to the city, do not succeed.

A false idea of life in cities and towns was held out to the boy on the farm. Will hon. gentlemen opposite endeavour to remedy that difficulty? They have not turned a furrow, they have not raised a stone to effect that object. This is a serious economic question, it is a great problem which ought to be treated seriously. There is this to be said in reference to the farmer and his family. The necessity of finding employment for his boys and girls, that stares the city resident in the face, does not stare the farmer in the face. He is sure of raising a virtuous family, and he is sure of finding employment for them at home. That is a consideration that hon. gentlemen opposite have left out of sight. But these things ought to be considered. It must be possible to make the country more attractive to the people, and to remove as far as possible the false ideas of town life from the country boy who has had no experience of the world. Hon. gentlemen opposite ought to sit down and deal with that problem, because if it is not successfully solved, this country will suffer seriously in the future. How are they going to assimilate the foreign elements now coming into this country, and imbue them with the true Canadian spirit? It is impossible to do so under the policy they are pursuing. What will be the effect? The effect will be that, unless we place people upon the soil, unless we heed that cry of back to the land, which is now being raised in some parts of Europe, and which ought to be a popular cry even in this young country of ours, this country will suffer seriously in the future. This I say is a problem to which every public man should give heed or he will fail in his duty if he does not.

Mr. JAS. J. HUGHES (King's, P.E.I.) Mr. Speaker, in my opinion, the opposition in deciding to shorten this budget debate, have exercised better judgment than they have shown on any other occasion during the last four years. To prolong this debate would only afford the friends and supporters of the government an opportunity to point out the marvellous, the phenomenal, results that have been achieved by the present administration. I do not envy the position occupied by our hon. friends opposite in being obliged by the exigencies of the case to offer some criticism on the statements of affairs presented to this House by the hon. the Minister of Finance and by the hon. Minister of Trade and Commerce. I do not marvel that a considerable portion of that criticism partook of personal abuse of these gentlemen, particularly of the latter. It is a trite saying among lawyers, I believe, that if you have a bad case you may abuse the opposing counsel, and our hon. friends of the opposition who have so far spoken have availed themselves of that privilege to the fullest extent.

In this and in many other respects their speeches have been very much alike, all fashioned on the same model. I do not make any exception in regard to the speech of the hon. gentleman who has just taken his seat (Mr. Broder). The only respect in which he differed from the others was in the remark he made in opening his speech when he said that a certain beast, the name of which I will not now repeat, but which is known by its loud braying, was about to instruct the government in regard to this tariff. Now, Sir, I was very much pleased to see my hon. friend from Dundas taking part in this debate. I made the acquaintance of that hon. gentleman under very pleasant circumstances some time last winter. We happened to have an election in Prince Edward Island to fill the vacancy made by the death of the late lamented Mr. Farquharson, and our opposition friends sent down a good deal of help to Prince Edward Island on that occasion. Among others they sent us a distinguished gentleman from Halifax, an Italian, I think, by the name of O'Mullin, who was to speak of course to his countrymen and enlighten them on the public questions of the day. He was a very fluent gentleman, and took a very active part in the election. Then there was another gentleman from Montreal sent down, I think, by the Montreal 'Star,' whose name was Prieur, I suppose he was an Irishman. He worked among his countrymen at Rustico and other places, and was supposed to have made many conversions. Then came my distinguished friend from Dundas (Mr. Broder) who had some 1,200 or 1,500 miles to travel in that inclement season of the year, in midwinter. The roads were covered with snow to the depth of seven or eight feet. But notwithstanding all these impediments, the hon. gentleman made his appearance. We could not imagine why he was sent that long distance. He is a well spoken gentleman, yet we could not think it was on account of his oratorical ability. Although he is a very good example of the sturdy Canadian, we could not think that he was sent there on account of his good looks. Then what brought him? Report had it that he took with him a very good breed of the goat, which he wanted to present to our friends down there. He and William the goat, came together for quite a long distance. At that season of the year steamboats were not crossing the Straits, our friends had to cross in small ice boats. When they came to the Straits that separated New Brunswick from Prince Edward Island and looked at that mode of conveyance, this small and fragile

boat about 18 feet keel, built of light material, though strong, and when William and his master began making preparations to cross, it is reported that William looked at the storm tossed ocean in that tempestous winter season, looked at the icebergs, and at the frail bark in which he and his master must cross the Straits, and William shook his head and beard, and refused to go any further, and implored his master not to risk his life in that frail looking canoe. But the hon. member for Dundas having put his hands to the plough refusel to turn back, so he and William separated. When the canoe had carried his master over the waters as far as the eye could see, it is reported that William retraced his steps through New Brunswick and eventually found his way back to Ontario. It would appear that in the absence of William, his master lost all heart for the contest, at all events, those gentlemen who came to enlighten us on that occasion did not succeed in accomplishing the result they desired. My hon. friend and farmer from Dundas, who came down to instruct the farmers of Prince Edward Island, did not appear to have made much impression upon them.

Now, Sir, at one of the meetings at which I was present and which the hon. gentleman addressed, he referred to the iceboat in which he had crossed the Straits and said that the same means of crossing was still employed that were in vogue twenty or thirty years ago. He complained that he had to cross in boats that had been so long in use, when a wag in the audience said 'judging by your remarks you must have come over in an ark.' In fact the hon. member for Dundas and his leader seem to dwell in the past, they belong apparently to a past century. For them there is no ray of light, no star of hope in the future.

Now, Sir, my hon. friend from Dundas said something about the tendency at the present time of young men and women to leave the farm and go to the cities to live, and he seemed to intimate that the government should do something to prevent that state of things. Does my hon. friend not know that a high tariff policy is just the very thing that would bring about such a result ? The policy that he and his friends are advocating would be the very policy that would influence young men to leave the farms and dwell in cities because it would cause an artificial growth in the cities at the expense of country districts. The Conservatives in this House and the Conservative press in the country seem to take some credit to themselves for acknowledging that the country is prosperous and is developing and prospering beyond the dreams of even the most sanguine a few years ago. They know that if they denied it or attempted to deny it they would cover themselves with ridicule. But they acknowledge it with a very bad grace, and they try to minimize and explain it. They say among other things that it is due to the action of Providence and to prosperous times the world over. Far be it from me to deny the munificent influence of Providence upon the affairs of nations as well as upon those individuals. We know that all history, sacred and profane, is filled with examples of the fact that when the people have elected or selected wise, prudent, moral men for their rulers, Providence has blessed the land and that when the people unfortunately have acted otherwise Providence in a large measure has withheld this blessing. Then again they say that during the 18 years that they were in power we had not only hard times in Canada but hard times throughout the civilized world. That is a hard saying. Surely they will not say that their malign influence extended throughout Christendom. If they had not made this statement themselves I would not have referred to it, but if that be true why fly in the face of Providence ? Why try to obtain power again and bring about this condition of things ? Why not be satisfied with the present results and accept the prosperity that is coming to them and to us and to all Canadians alike ? How can we account for their insane desire on this point ? Milton in Paradise Lost tells us that when the fallen angles were cast out of heaven they took counsel together. Their leader stood up in the midst of them and declared that even if offered pardon under certain conditions he would not accept it because he would prefer to reign where he was, rather than to serve in Paradise, and all his legions shouted their approval. So it is with our Conservative friends. With them it is either rule or ruin. What care they for the interests of the country ? Power in their estimation is the only thing under heaven worth striving for. But, while reluctantly admitting the prosperity of the country they tried to distract the attention of the people by saying : Look at the enormous taxation ; look at the enormous expenditure. Do they not know that a large revenue does not necessarily mean high taxation ? Do they not know that we may have very high taxation and a very small revenue just as we had under the administration of hon. gentlemen opposite ? Do they not know that when the government obtained power they reduced the taxation by 13 per cent which would be equal to several millions of our present importations and that the revenue immediately increased and has kept on increasing ever since and do they not know that under such circumstances an increasing revenue is one of the best and surest proofs of increasing population and of the augmented wealth and prosperity of the people ? But, if the revenue, or the taxation of the country, as hon. gentlemen opposite prefer to call it, is burdensome did they ever propose to reduce it ? No, Sir, nothing of the kind, but they say that if they had the power they would increase it. We must know that over three-quarters of the entire revenue is derived

from customs and excise duties. Do they propose to reduce any of these duties ? No, they do not. On the contrary they have opposed every reduction that the present government have made and they have moved resolution after resolution in this House declaring that the customs duties from which we get over half our revenue are too low and ought to be raised. In a word, in one breath they say that the taxation of the country is too high and that the government should be turned out of power for not reducing it, and in the next breath they say : Put us in power and we will make it still higher. Barnum the great showman is credited with having made the statement that about two-thirds of the people were standing around most of the time waiting for some one to fool them. Evidently the Conservative party and press of this country think that the Canadian people come within the category of the people referred to by the great showman. I am inclined to think that our Conservative friends have underrated the intelligence of our people and that they will have a rude awakening when these people get a chance of expressing their opinions at the polls.

Now, a word or two about the expenditure about which our friends opposite say so much. Every school boy knows that as a country increases and develops the expenditure must necessarily increase. Still, hon. gentlemen opposite are fond of referring to the United States as a country that we should imitate in many things, particularly in our fiscal policy. They declare the United States to be the greatest country on earth. I take exception to that. Measured by any standard you wish the United States do not begin to compare with our own empire in point of population, wealth, power or constitutional liberty. I also take exception to that statement as regards their fiscal policy. If their policy is so much better than ours and if high taxation and high protection would produce beneficial results why are they not doing so in the United States where high protection might be employed perhaps more advantageously than in any other country in the world ? Why does it not bring about prosperity there ? Why are hon. gentlemen opposite declaring that they are afraid of the hard times that are sure to come in the United States ? If protection is beneficial to the farmer how is it that the farmers of the United States by thousands and tens of thousands are selling their property there and coming to Canada ? How is it that in the New England states, the very home of protection the farms are practically unsaleable ? They have been abandoned and they will not bring the price of the improvements that have been made upon them. If the fiscal policy of the United States is all that hon. gentlemen opposite claim for it surely it is up to them to explain these things. The United States is no doubt a great nation and great has been its material growth during the past century, but, Sir, I believe that ours in Canada will be fully as great during the present, because we are better equipped for the race of life now than they were 100 years ago. I believe that we are better off in many respects and particularly better off in regard to our fiscal policy and in our trade ideals. But, Sir, if the United States is a country to be copied what are the revenue and expenditure there? —about $600,000,000 per annum. As that country grew its expenditure increased and as this country will grow our revenue and expenditure must necessarily increase also.

Therefore, I say our revenue and expenditure must necessarily increase with our growth and development, and so far from it being something to complain about, something to worry over, it is, under proper conditions, something to be proud of, and is the best and surest evidence of our material advancement. And another important fact that should not be lost sight of in connection with this matter is that our expenditure on consolidated account at the present time is but half our net revenue, whereas under the Conservatives it swallowed up, not only our entire net revenue at the time, but very often we had to borrow money for the ordinary expenses of housekeeping. Now we are paying our exependiture on consolidated account and on capital account out of the revenue of the country, and we have begun to reduce the national debt, which, under the Conservative administration, was mounting up at the rate of upwards of $6,500,000 a year. This surely is something of which we as Canadians and we as Liberals must feel proud.

But be the expenditure what it may, the Conservatives in this House are responsible for every dollar of it. They know that every dollar must be voted item by item in Committee of Supply ; and, Sir, I have been a pretty constant attendant in that committee for the last four years, and I have yet to learn that the Conservative party ever challenged by their vote a single item of the expenditure in those four years. It is true they have criticised freely. They have found fault generally, which is a very easy thing to do ; but they had not the courage to vote against a single item in the Supply Bill. If I am wrong in this statement, I am speaking in the presence of hon. gentlemen opposite, and I want them to correct me. Not only am I correct in what I have said, but in many instances hon. gentlemen opposite rose in their places and declared the expenses were not large enough. But, Mr. Speaker, is the expenditure honestly carried out ? Because, after all, that is the great question. I say, 'yes,' so far as human foresight can provide and government supervision extend, and if this statement be not true, then the Auditor General has failed in his duty, and the opposition have failed in their first and most important duty as well. To begin with, the

Auditor General has the most ample powers to analyse, criticise, investigate, examine, inquire into and check every dollar of the expenditure, and, in the words of the ex-Minister of Railways (Mr. Haggart), the Lord knows, he exercises those powers to the fullest possible extent. Then the opposition have the right, nay, the duty, of still further investigating every item that in their opinion requires examination, and the constitution of the country places every facility at their disposal for so doing. They can summon the public officials and witnesses from every part of Canada and examine them under oath before the Public Accounts Committee, and every scrap of written information and evidence in every department of the government service is at their disposal. Either then there has been no malfeasance in the government service and in the public expenditure, or the opposition have failed in their first and most important duty as an opposition. They can choose whichever horn of the dilemma they wish. But to do the opposition justice, they have, I think, tried to do their duty in this respect. Time and again they have instituted inquiries before the Public Accounts Committee, but in no case has any wrong-doing or dishonesty been brought home to the government. Perhaps the most important question brought before the Public Accounts Committee since the advent of the Liberal party to power was the investigation into the purchase or leasing of the Drummond County Railway, at that time called 'the Drummond County steal'; but everybody knows that it ended in a fiasco. The ex-Minister of Railways (Mr. Haggart) himself rose in his place in the committee and declared that the opposition had never charged dishonesty. Other investigations have since been held, but all with similar results, and the microscopical examination of the Auditor General's Report by the hon. member for South Leeds (Mr. Taylor) only discovered two items this year which, in his opinion, required investigation. On these he eagerly pounced, and on the 18th of May last he moved the following motion in the Public Accounts Committee:

For all accounts, vouchers, papers and other documents in connection with the account of R. Smith, amounting to $30, as shown on page L—20 of the report of the Auditor General.

The hon. member for South Leeds (Mr. Taylor) was going to see that the expenditure of this country was honestly carried out; he was going to see what rake-off there was in that $30; he was going to see whether the government had any contribution to the campaign fund from that. His eagle eye scanned the accounts, and let it be small or great, he was prepared to pry into it, because on the same day in the Public Accounts Committee he moved for:

All accounts, vouchers, papers and other documents in connection with the account of R. K. Smith, amounting to $400, as shown on page L—20 of the report of the Auditor General.

Well, Sir, what was the result? There was no result. The matter still rests there and at the last meeting of the Public Accounts Committee, there was not a quorum present to do business. The hon. gentleman (Mr. Taylor) and his friends were not ready to go on with the investigation. From this simple statement of facts, the public can see how absolutely unfounded are the disgraceful and discreditable statements contained in the Tory campaign literature, with which the country is now being flooded, and how absolutely incorrect and untrue are many of the statements contained in the Tory press throughout the country.

But, Mr. Speaker, there is still other and perhaps stronger proof of the accuracy of what I say. Previous to the election of 1900, no two men in Canada were so reviled and abused as the Hon. Mr. Blair, then Minister of Railways and Canals, and the hon. member for St. Mary's Division of Montreal (Mr. Tarte) then Minister of Public Works. These two men were represented as violating nearly every commandment of the decalogue, and it was broadly stated that but for them the government might, perhaps, be worthy of support. The hon. member for St. Mary's Division (Mr. Tarte) was particularly assailed. He was represented as the very incarnation of evil, as being dishonourable, dishonest, unpatriotic and guilty of every crime in the calendar. So far was this campaign of abuse carried, that many persons in some of the rural districts, were astonished to think that such a man was allowed to live in the country at all; and so far as I could discern, the Montreal 'Star' was the greatest offender in this dishonourable and discreditable business. In fact, so great was the horror excited in the minds of some of the simple country people where that paper did most circulate, that mothers were accustomed to frighten their children to sleep by saying 'Hush, darling, or I will give you to Tarte.'

Well, a few years passed by and Messrs. Blair and Tarte were no longer members of a Liberal administration. Immediately, they became heroes and saints, and not only heroes and saints, but the only honest, capable and patriotic men that the Liberal government or party had had. With unbecoming and indecent haste, that party and press which had so reviled these men, stood ready to receive them into its fold, as heroes and leaders, and to invite them to sit down with Abraham, Isaac and Jacob. What, Mr. Speaker, can the honest, intelligent electorate of Canada think of such conduct? Will the Conservative party through their campaign literature and press, ever again be able to vilify and besmirch the character of our public men? Surely not, Sir, at least within the lifetime of the present gen-

eration. Now, Sir, my point is this : either the Conservative party and press were lying when they declared Messrs. Blair and Tarte to be guilty of all those crimes with which they charged them, or they were and are ready to associate with and make leaders of men who ought to be within the walls of a penitentiary. Again they can choose whichever horn of the dilemma they wish.

But, honourable gentlemen opposite have another grievance to air, another complaint to make. They say that the balance of trade is against us ; that we are importing more than we export, and we must, therefore be going to the dogs, notwithstanding the evidence of all our senses to the contrary. It would, I think, do our Conservative friends no harm to take a short course in political economy at a kindergarten. Of all the fallacious theories that was ever advanced, perhaps the most fallacious is this balance of trade theory. The Prime Minister referred to it to-night and explained it excellently well. With the example of Great Britain before their eyes, where the imports have exceeded the exports, by millions, and tens of millions, for the past half century, and where the wealth of the country has at the same time enormously increased, one would think that hon. gentlemen opposite would be less dogmatic in their declarations. Take again, the case of Ireland, where the exports have exceeded the imports not for half a century only but for centuries, where the very life-blood of the nation and people were drawn upon to pay the rents to the absentee landlords, where everything was goint out, and nothing practically coming in, and you have, as you must have, because of this, one of the poorest, if not the poorest nation in Europe. But according to the theory of honourable gentlemen opposite, it ought to be the richest. They tell us that the United States' export have for years been greater than their imports, and in consequence of this they have grown wealthy. No, not in consequence of this, but because of the rapid development of their almost illimitable national resources, and because of the enormous inflow of population : with perhaps, some other contributing causes. So long as their exports exceed their imports, their foreign trade is not and cannot be in a healthy condition, as I think a few concrete examples will abundantly prove. Suppose I buy a cargo of wheat consisting of say 100,000 bushels for $1 per bushel, which I ship to Liverpool or London and sell at a profit of 50 cents per bushel. I then take my money, $150,000, and invest in merchandise, which I bring to this country. I have certainly made a profitable trade, and what is profitable for me is profitable for my country. But the outward or export entry is 50 per cent less than the inward or import entry : and, of course, the reverse of this would also be true : if I sold at a loss, the export entry would be greater than the import entry, and what would be my loss would also be my country's loss. Now, Sir, it will make no difference if I do not reinvest my money, but bring it back in the form of gold or exchange. Some other man, who is an importer, by reason of my profitable transaction, would be able to import a larger bill of goods than it would under other circumstances be possible for him to do, because the country would have the gold or exchange to pay for them. All trade is, in its last analysis, barter, and it changes not the essence of the transaction whether money is or is not used to facilitate the trade ; and any nation importing more than it is exporting, and not parting with its gold reserve, must be trading at a profit. All profit in trade is made by taking things from where they are relatively cheap to where they are relatively dear, and all nations of the world could therefore profitably trade with one another and the imports of all be greater than the exports of all. Why, even a red Indian who traded furs for blankets, rifles, powder and other things he required, would know that the fewer furs he parted with and the more blankets, rifles, powder, &c., he received, the richer he would be. In other words, the smaller his exports and the greater his imports, the better for him ; and what is true of the individual is in all such cases true of the nation. When two nations make war on each other and blockade each others ports, it is not for the purpose of preventing exports but preventing imports. For they well know that they can inflict greater damage upon their enemy by preventing them from bringing things in rather than sending things out. If we fully realized this, if we fully realized what very dependent beings we are, all depending upon one another, and the greater that interdependence the greater our civilization, we would, I think, try to act differently. Only savage tribes and barbarous nations want to or can afford to live by themselves. Why do we dig canals, bridge rivers, construct railways and subsidize steamship lines, if not to trade with our neighbours and other nations ? Would we go to all this expense and exertion if this trade were not good for us ? If other nations will not give us their goods for nothing, and they are not likely to do that, our imports, under ordinary conditions, can never injure our business, because we must make or produce things to give in exchange for the things we receive. There is no other way in the end to pay for them. So much, then, for this balance of trade business.

But our hon. friends opposite ask us—and they ask, too, in a tone that implies that in their opinion no satisfactory answer can be given—what has the Liberal government done for Canada ? Well, Sir, I will try and answer that question. Travellers who have visited Europe tell us that over the north transept in St. Paul's Cathedral, London,

there is a slab which bears this inscription : 'Si monumentum quaeris, circumspice'—If you seek a monument, look around you. The great cathedral itself is the best monument to Sir Christopher Wren, the distinguished architect who planned it. To my hon. friends opposite I would therefore say : If you seek a monument, open your eyes and your ears, and look around you. Be not as those who have eyes and see not, ears and hear not. Open the Trade and Navigation Returns and the Trade and Commerce Returns, and read and understand them. To be more specific, the Liberal government have reduced the taxation by some thirteen per cent, thereby freeing the trade of the country to that extent, and leaving some millions in the pockets of the taxpayers of the country. They have completed the canal system, giving us fourteen feet of navigation from the head waters of the great lakes to tide water. They have made many valuable and substantial improvements in the harbours and channels of the great lakes themselves as hon. gentlemen opposite well know. They have deepened, lighted and buoyed the St. Lawrence river, the great artery of our commerce from the interior to the ocean. They have built wharfs and piers and dredged the harbours and rivers of the maritime provinces, thereby enabling us to trade more easily with one another and with the outside world. They have also in many places constructed boat harbours, where the property of that hardy and most deserving class of our population, the fishermen, who pursue their arduous calling on the Atlantic coast and in the gulf of St. Lawrence, can be protected from danger, and they are developing our fisheries. They have extended the Intercolonial from Point Lévis to Montreal and to points in the maritime provinces, and made it a first-class up-to-date railway, and not the one-horse affair, that it was in the days of the Conservative administration. They have immensely aided and developed the great agricultural interests of the country. They have given us penny postage and a surplus, where formerly we had a deficit of three-quarters of a million dollars. They have given us peace, concord and national amity, or at least tried to do so, where formerly we had discord, strife and national enmity. They have brought about such a condition of things in Canada that the best blood of Europe and America is flocking to our shores; and, perhaps best of all, they have practically stopped the exodus. No longer are Canadians fleeing from their country as from a plague stricken land. Our own young men and women are now remaining at home to build up a strong Canadian nationality under the protection of the British flag. Canada is no longer typified by Rachel of old, who wept for her children, and would not be comforted because they were not. And last, but not least, they have given us clean, honest, progressive government in contradistinction to—what shall I say ?—to the Conservative government that we had between 1878 and 1896, whose record, beginning with the Pacific scandal, ended with the shocking revelations of 1891 and 1892, and the unseemly and disgraceful scenes of 1895 and 1896, when Canada was pointed to with the finger of scorn by the independent press of the mother country ; when her name became a synonym for dishonesty, malfeasance and corruption in high places ; when Canadians had reason to hang their heads in shame, until finally the junta turned upon and rent each other, calling one another by the most opprobrious epithets the English language could supply. In contradistinction to all that, the Liberals have given us clean, honest and progressive government. They have given us peace, concord and plenty at home ; honour and respect abroad.

Si monumentum quaeris, circumspice.

Mr. URIAH WILSON (Lennox). I have listened, Mr. Speaker, with some interest to the essay of my hon. friend who has just spoken (Mr. J. J. Hughes), and I am of opinion that if he chose he could give it to the 'Hansard' reporters without any trouble. I think he read the whole of it, but whether he did or not is a matter of very little interest. His speech, instead of being in favour of the policy of the government, was the reverse, for if it meant anything, it was a plea for free trade pure and simple. He must have imagined himself back in the days of unrestricted reciprocity and pictured himself as one of those who had nailed their colours to the mast and was determined not to take them down under any provocation. He spoke of Messers, Blair and Tarte. Well, if the hon. member for St. Mary's (Mr. Tarte) is not a member of the government to-day, it is because he stood by his principles. That hon. gentleman was always an ardent protectionist, as his right hon. leader knew full well, because the right hon. gentleman told us, when the hon. member for St. Mary's entered his cabinet, that he was taken into the government to represent the Conservatives who had voted for him in 1896. Mr. Blair, who is now Chairman of the Railway Commission, was a man perhaps of as much ability as any one in the cabinet, and that would not be saying too much. He was a man who was lauded by the Liberal party so long as he was a member of the government, and so important and influential was he that they went back on what honourable men would call their principles and gave one of the best appointments at their command to one who had denounced them for taking up a wildcat scheme which had not been asked for by the peoople of his or any other province. He left the government, and so afraid was the government of his influence in the province of New Brunswick that they were very anxious to have him shelved. Just one more allusion to my hon. friend and that is regarding what he said about

the hon. member for Dundas (Mr. Broder). He said that my hon. friend went down into Prince Edward Island and did not amount to very much. They looked upon him as an old farmer and did not want to hear any discourse from him. I do not wonder at that when they had so distinguished a luminary as the hon. member for Kings, P.E.I. (Mr. J. J. Hughes) to represent them—and a gentleman who has given us to-night so convincing an illustration of his great ability as an orator. I want to say a few words in reply to the right hon. leader of the government. He said that his party were not imitators. In some respects that is true. They do not for instance imitate the Conservative party in keeping their pledges, but they do imitate the vices of that party, as we have abundant evidence to prove. They speak of preferential trade as if that were their own pet scheme, but I have a dim recollection of the leader of the government appearing in Toronto in 1895, just before the general election, and I remember his saying to the people of Toronto that he was just as able to formulate a policy of preferential trade as was Sir Charles Tupper. I think he went so far as to promise that if the Liberal party should succeed at the general elections, he would send a commission to England to arrange with the British government for preferential trade. Well, the Liberal party did succeed. Did the right hon. gentleman carry out his pledge ? Did he send a commission to England to arrange for preferential trade ? I think everybody knows he did nothing of the kind. Instead of doing that he went to England himself and said : I am giving you preference as a free gift for which we do not ask anything in return. Is that what this country expected when the right, hon. gentleman took office ? Did not the country expect, as they do of every public man, that the right hon. gentleman would carry out his promise ? I want to make a few references to some remarks made by another hon. member, who, I am sorry to see, is not in his place. I refer to the hon. member for West Huron (Mr. Holmes). He said that the leader of the Conservative party had predicted that this government would not retain office six months. That prediction was made by Sir Charles Tupper. Sir Charles Tupper had kept these people in opposition so long that he had forgotten their characteristics. He supposed that they would be as consistent as was the Liberal-Conservative party in 1878 when they went to the country. You remember, Sir, that Sir John Macdonald went to the country on the pledge that he would give protection if returned. That was the policy of the Liberal-Conservative party in 1878. Sir Charles Tupper presumed that it would be impossible for the leader of a great party to go to the country on the principle of free trade and then come back and copy a trade policy which he had been denouncing for eighteen years. The difference between the Liberal-Conservative party and the Grits was this. When the Liberal-Conservative party came to power in 1878, they brought down their policy, and Mr. Mackenzie, the leader of the Liberal opposition said that they had brought out the whole white elephant. Well, when these gentlemen came to power, they had a session because they had refused to pass sufficient estimates in the previous session to carry on the business of the country, even for three or six months, and we had to have an extra session. After the session, what did they do ? They did what they had denounced the Conservative party for doing. They sent a committee of their party around from place to place to get the advice of people on the tariff question. This is what we had done previously, and that is what they purpose evidently to do in the near future, or else they are simply making that statement for the purpose of getting through the next general elections and have no serious intention of keeping it. I am not libelling them because they have so often failed to carry out their promises that the people are convinced that when they make a promise, they intend only keeping it in case it should suit them.

The Liberals have added nothing to the public debt, the hon. member for West Huron (Mr. Holmes) said. Is it nothing that they have taken in taxation $89,222,222 more than would have been taken had the rate of taxation under the Conservatives in 1896 been continued ? This is a strange state of things for the party which boasts that they are the party of low taxation. And you remember as well as I do, Mr. Speaker, the distinct pledges given by the leaders of the Liberal party when in opposition that, if they were allowed to come into power, they would reduce the expenditure by $3,000,000 or $4,000,000 a year. The right hon. Prime Minister (Sir Wilfrid Laurier) made these statements himself in Toronto. And every Liberal of prominence all over the country reiterated the statement. The right hon. Minister of Trade and Commerce (Sir Richard Cartwright) said that we were bleeding the people white by taxation. Yet these gentlemen who denounced the policy and taxation of the Liberal-Conservative party now endorse the policy of this government, though they are taxing the people, not thirteen per cent less, as the hon. member for Kings, P.E.I. (Mr. J. J. Hughes) has said, but taxing them $2.37 per head more in customs and excise duties than they were being taxed in 1896. That is a fact that the public accounts issued by hon. gentlemen opposite will demonstrate, so there is no use in anybody trying to make out different figures. These hon. gentlemen boast that they have reduced the public debt a little over a million dollars. But what has been their income during the past seven years ? Their income over and above the income that the Liberal-Conservative government were getting on the basis of their income of

1896 was $130,000,000. That is, they have taken from the pockets of the people $130,000,000 more than the Liberal-Conservative government would have taken. And this immense sum, I may say, they have squandered, because I think I shall be able to show before I sit down that it is not sufficient for the hon. member to say as the hon. member for Haldimand (Mr. A. T. Thompson) said the other night, that more money had been spent in this way or that. For instance, that hon. gentleman said that this government had spent $18,000,000 on the canals, and he seemed to think that we ought to be perfectly satisfied with that information. But we want a more complete explanation than that. We want to know whether we got value for this money. And I think the experience of hon. gentlemen on this side is that we have been very poorly served considering the amount of money we have spent.

The hon. member for West Huron (Mr. Holmes) quoted a statement of Dr. Montague to show that that gentleman was in favour of free corn. He showed that Dr. Montague had actually offered to put corn on the free list if the United States would give us free entry for our barley into their country. Well, would anybody object to that? That would be a fair trade—at least, it would suit the people in my section better than anything else we could give. But was this anything like a fair statement to prove that Dr. Montague was in favour of putting corn on the free list? Hon. gentlemen opposite have made a gift of free corn to the United States, as they made a gift of the preference to the mother country.

The hon. member for South Brant (Mr. Heyd) said that this government had spent $191,000 more on the administration of justice than was spent in 1896 and said that surely we would be satisfied with that, seeing the increase was so small. Well, I would ask any hon. gentleman who was a member of this House during any portion of the eighteen years when hon. gentlemen opposite were in opposition if, during every session of parliament, this expenditure upon the administration of justice was not criticised by the members of the Liberal party generally. They said: What have we a Minister of Justice and a Solicitor General for? Why do we pay these gentlemen big salaries unless they are ready to do the business? I am not going to say they were absolutely right. It may be possible, now and then that having a case in an outside town or city at a distance from Ottawa, you can hire a lawyer there cheaper than you can send a man from Ottawa? But the principle is the same, and these people who were criticising these things year in and year out should try to do better now that they have obtained power.

The hon. member for South Brant (Mr. Heyd) referred to the census and said that surely no person would find fault with half a million more spent on this census than was spent on the last. Well, I should like to have some better reason than a statement of that kind for this large increased expenditure. If I remember well, there were certain letters that passed between hon. gentlemen opposite and one William Kelly who had an interview or two with the Minister of Agriculture (Mr. Fisher). He wrote a letter saying that there was a man nominated for the local house for his riding who is an active man and a good organizer, and he intended to take an active part in the campaign if it could be arranged satisfactorily. And he evidently got a letter from Mr. Blue or some one else for he wrote to Mr. Blue that he would accept the $300 extra and be satisfied. Then, we have Mr. Hurley who was the representative for East Hastings in the last parliament. Mr. Hurley came to Ottawa and, so far as we could learn in the Public Accounts Committee, he evidently met somebody who told him that the account he put in was not big enough. So, he added $50 to the itemized account. And this is the way he did it: He charged $25 for room rent, $15 for horse-hire and $10 for stationery furnished to the man under him. When he appeared before the Public Accounts Committee he was not able to show a single room that he had rented in any part of the district in which he had taken the census that had not been charged for in his itemized account. And, when asked closely about horse-hire, he said: I had to go out here and there driving in connection with the census work, and I thought $15 would not be out of the way. Then we asked him about the stationery. He said he had to buy a fountain pen—and he still had the pen, for he took it out of his pocket and showed it. Then he had to give some stationery to those under him, and, when he was in the county council he was allowed $10 a year for stationery and he thought that charge would be about right. If that kind of thing was done all over the country, I do not wonder that this census cost $1,190,268.99—and I believe it is not yet finished—as against $549,991.76 for the census of 1891. But that does not seem to be anything in the estimation of hon. gentlemen opposite.

The hon. gentleman for South Brant (Mr. Heyd) says that no free trade party has ever been in power in this country. I think that is true. But there is only one reason for it—the party that was a free trade party when in opposition on coming into power, forsook its principles and is no longer a free trade party. And Mr. Longley, with whom the Minister of Finance (Mr. Fielding) is well acquainted, said, in a speech he made recently, that there used to be a free trade party in this country, but there was no such party now, and that men would not be able to carry this country very far if they an-

nounce free trade as their principle. I quite agree with him and believe that what he said was perfectly true.

We have heard a good deal about the Liberal platform. It was a good deal like the platform on a railway car—for the purpose of getting in on. The member for South Brant (Mr. Heyd), whom I consider a level headed man, made a reference to immigration, in which he said:

> I am exceedingly gratified to find that, by a careful examination of the census of the United States for the last ten years, our immigrants are away and beyond superior to theirs in character and quality. Their immigrants are almost exclusively composed of that class which we on this side do not consider a desirable addition to our people.

Now that is a most astonishing thing to me, and if the hon. gentleman had been at all familiar with the facts I do not think he would have made that statement. I find that in ten months of the year 1902 there were rejected in Montreal alone 1,439 immigrants that the American officials would not allow to enter into their country for various reasons. In the whole country, for the ten months of 1902, there were 2,129 rejected; and for the year 1903, there were rejected 5,158. Now I would like to know where these rejected immigrants are. They were rejected on our shores, and in answer to a question I put the other day I was told that from the 1st of July, 1903, to the 15th of March, we had deported 405 immigrants. Now the balance, which is over 4,500, are still somewhere in Canada. And yet the hon. member for South Brant says that we are getting a better class of immigrants than the United States. I wonder if he knows that the United States has along our southern border 116 officials to prevent undesirable immigrants entering the United States from this country. If he will read the reports of the United States commissioners he will find that is the fact.

Now the hon. member for Brant says that the woollen men were never fairly dealt with. He was glad to see that the change had been made, but my impression, Mr. Speaker, is that if no change had been made he would have supported the government just as heartily as he does now. He says:

> Protection is not of very great use to the working classes.

If that is so, why did the government increase the duty? It does seem to me that if it is of no use to the working classes, it is a piece of folly on the part of the government to increase the duty. I am surprised that hon. gentlemen who have been free traders all their lives should tell us that the United States are on the down grade because of high protection, and then should go to work and raise the duty in this country. But the Minister of Trade and Commerce did not take that view. The member for Haldimand (Mr. Thompson) found a good deal of fault with some of our campaign literature because we had the audacity to print in it the appropriation of last year. Now, Sir, I think that is perfectly legitimate. I do not see why any person should find any fault with that, so long as we stick to the truth. There may be some difference of opinion as to what certain things will cost, but the principle is there. Now there are some parts of it that I am sure even the Finance Minister would not object to. There are the regular appropriations brought down in the estimates by the Minister of Finance himself on six different occasions, beginning on the 16th of March and ending on the 21st of October, which amounted altogether to $73,864,503. Now I do not think there is a man in this House who would object to the accuracy of these figures. If there is, let him come over and see me to-morrow, and I will take last years' estimates out of my desk and will show him the whole amounts. I think I am in a position to satisfy him on that point.

Then there were the bounties on iron and steel. The Auditor General's Report says that we paid last year $1,401,804 on that head. Now that is one of the things I am surprised at. The Liberal party used to oppose the bounty system when it was adopted by Conservatives, they were in favour of doing away with the whole thing. But when the Liberals came in they did not allow the existing bounty system to run out, as it would have done, but they renewed it and extended the time. They were not satisfied with bounties on iron and steel, but they gave a bounty on lead, and on manilla. Now we have got a bounty on coal oil. It does seem to me that if it is ever justifiable to give a bounty at all it should be on some new industry in order to give it a start. But bounties will not continue the business, because you cannot afford for ever to tax the whole people for the benefit of the few. It seems to me this is the worst kind of taxation, and I am surprised that so level headed a man as the Minister of Finance should ever have gone in to this bounty business.

Then I suppose there will be some dispute over the Grand Trunk Pacific item. I think we had a perfect right to put in the estimates of the cost of the Grand Trunk Pacific, because that Bill was passed by this House, and we had the strongest assurance of the leader of the government, and of the Minister of Finance and other lights of the Liberal party, that they had made a sure contract that would be carried out. I am sorry that they took that view of it. As I did not speak on the Grand Trunk Pacific Bill this year, I would like to say a few words about it on this occasion. I want to say to the Finance Minister and other members of the government that in my judgment they would do much better for this country if they built a few roads north and

south. Take the country I live in. There are people who, I suppose, have been living forty or fifty years one hundred and ten miles north of Napanee, and they are still thirty or forty miles from a railway. It seems to me when we have got such a large surplus and are so flush with our money, that instead of building a railway through the wilderness from Moncton to Winnipeg and then on to the Pacific, we would do much better if we tried to accommodate some of the people who have been living in our back country for so many years. I am not in favour of giving bonuses to companies to build railways. If you cannot get companies to build railways without bonuses, then I think the government should build them, where they are necessary, and I think the government should run them. I think the people should get the benefit of them. There is a railway running north of my town to which we gave a bonus of $30,000. This government gave, I think, $3,200 a mile, and I am not sure but that the Ontario government gave them $3,000 a mile, that is my recollection. But to-day, for twenty miles, you can haul freight by teams as cheaply as you can take it by that railway. That would not be the case if it was a government railway, because the government would carry the freight at a reasonable rate for the people. But here we are giving our good money to build railways all over this country, and what for? To make millionaires out of contractors and out of the owners of these railways.

That is the way it looks to me and I do not think it is right. I want to say that I am in no way in favour of the Grand Trunk Pacific because I think it is a useless expenditure of money that ought not to be made and I question very much if it ever will be built under the present circumstances, because it does seem to me that if the people are wise they will take very good care that it is not built. I need not go through this whole list. It does not matter much whether the hon. member objects to it or not. It amounts to $250,000,000 which is a small matter for a country like this—so the present government seem to think. I would like to take up a little time in saying something about the promises made by the government and the way they have been performed. I think if there is anything that an honourable man esteems it is to be considered a man of his word and I cannot see any reason why any public man should say: This is only politics; it is part of the game. I would be just as much ashamed to make a promise in reference to a political matter that I did not intend to carry out as I would be to make a promise in reference to a business matter that I did not intend to carry out. I do not see the difference. If I am elected again—I may not be—but if I am it will be because I tell the people I shall do certain things and do them. If I have any strength in my riding it is because the people know that when I tell them that I will do anything I will do it.

I say we can reduce the amount of Canada's expenditure by two, yes, three million dollars per year.

The right hon. leader of the government (Sir Wilfrid Laurier) in 1895 made that promise to the people himself. How has he carried it out?

We demand strict economy in the administration of the government of the country.

This is from the resolutions contained in the Ottawa platform. In 1896 the expenditure on consolidated account was $36,949,000, leaving out the hundreds. What was it according to the budget speech of the hon. Minister of Finance the other day?—$54,500,000. The whole expenditure in 1896 was $41,702,383. Now, the hon. gentleman, may take a little exception to that because this is not exactly what the public accounts say, but he will remember that they added in 1896 $2,349,000 which had been passed in 1882, because they thought that for purposes of comparison it would be better to swell the accounts for 1896 as much as possible. Therefore the expenditure in 1896 was $41,702,383 and the budget speech says that for the year 1904 it will be $66,000,000 or an increase of $24,297,000. Is that not a fine showing? Hon. gentlemen opposite regard that as something to be pround of. As the Irishman says, they ought to be proud because they have made such a mess of it.

We are asking for a reduction of taxation.

Hon. David Mills, formerly Minister of Justice in this government.

These villainous customs taxes are impoverishing and ruining our people.

Who said that?—Sir Richard Cartwright.

We are the party of low taxation.

Sir Wilfrid Laurier.—These are the gentlemen who have made these promises. These are the people who have totally ignored them. If there was anything they seemed to be sore about when they were in opposition was superannuation. I recollect how Senator McMullen—we called him the Hon. James in those days—talked about how the people were being bled to maintain the superannuation system, how they were being taxed and saying that the people who were being superannuated were walking around the country as gentlemen. I think he was right and I think so still. When Mr. Foster was Minister of Finance he had a Bill passed which he said, if honestly administered, it would not cost the people of this country one cent to pay for all the superannuations of men in the service made under it. That Bill became law. But what are the facts? I do not know whether this gov-

ernment are a long way worse than we would be if we came back to power. We have learned a lot from them. If they want offices for some of their friends they superannuate civil servants and put others in their places. We had an example of this in the Kingston Post Office. They superannuated the postmaster, Mr. Shannon, and put Mr. Gunn in his place. Mr. Gunn was only three years the senior of the superannuated postmaster. They superannuated the deputy postmaster general and I will venture to say that any man who knew Colonel White would say that there never was a man in the service who was better up in his business than he was when he was superannuated. We are paying him—I do not know whether it is $3,000 or $2,500 a year and then we are paying the present deputy postmaster general, $4,000 a year. I have not the slightest fault to find with the present deputy postmaster general, I think he is a good man for the position, but I do not think a position of that kind should be made for any man at the expense of the people. I do not care who he is or where he belongs; I do not think that any man should be superannuated at the public expense. In addition to that we remember that last year the hon. Minister of Justice (Mr. Fitzpatrick) introduced a Bill to superannuate the judges at full pay. I made a few remarks on that occasion against that proposition and I am no more in favour of it now than I was then. I think it is a grievous outrage to say that you shall tax the poor man who earns from $300 to $500 a year to enable a man to live in luxury who has a salary of $5,000 or $6,000 a year for fifteen or twenty years. I say it is an outrage and I do not believe if it were submitted to the people that they would endorse it. I quite understand the explanation made by the hon. Minister of Justice. He wanted to get rid of some gentlemen that were in the way. The law ought to be made such that we should not be obliged to hire men to leave their positions. A responsible government ought to be able to carry on the business of the country irrespective of the feelings of any one. I am speaking for the men who live in the rural districts. We have no millionaires in our section of the country. We are all workingmen. We know how hard it is to earn a dollar. There are only a few men who know how to spend a dollar and get value for it and there is no men less capable than some of the representatives in this House. I have a table here that I would like to put on 'Hansard.' It may be tedious to read it, but it may be useful. Without any reference as to whether it is tedious or not I will have to read it unless the hon. minister will consent to have it put on 'Hansard' without being read.

The following statement will show the receipts from Customs and Excise from the year 1896 down to the year 1903, and a comparison is made in this statement of the taxation taken from the people under the Conservative rule and the increased taxation taken from them under Liberal rule. The following is the table:

RECEIPTS FROM TAXATION, PUBLIC ACCOUNTS, 1903.

Year.	Customs.	Excise.	Total.	Increase over 1896.
	$ cts.	$ cts.	$ cts.	$ cts
1896..	19,833,279 48	7,926,005 94	27,759,285 42	
1897..	19,478,247 19	9,170,378 92	28,648,626 11	889,340 69
1898..	21,704,892 75	7,871,562 89	29,576,455 64	1,817,170 22
1899..	25,316,841 68	9,641,227 53	34,958,069 21	7,198,783 79
1900..	28,374,147 64	9,868,075 35	38,242,222 99	10,482,937 57
1901..	28,425,284 25	10,318,266 03	38,743,550 28	10,984,264 86
1902..	32,191,978 47	11,197,133 40	43,389,111 87	15,629,826 45
1903..	37,001,726 90	12,013,779 00	49,015,505 90	21,256,220 48

And according to the budget speech of the Minister of Finance, for the fiscal year ending the 30th June, 1904, the revenue from customs will be $36,807,063, and from excise $11,915,964, or a total of $48,723,027; or, a grand total of taxation taken from the people by this government over and above what the Conservative government was taking from them in 1896, of $89,222,285. Now, Sir, the 'Farmer's Sun' which used to be very favourable to the Postmaster General, I don't know how is it now, inserted a very interesting item which I purpose giving to the House. The 'Farmer's Sun' stated that the probabilities were that this year the farmers would have 200,000,000 pounds of milk which would be worth $12,000,000; they would have 2,000,000 hogs worth at $8, each would bring them $16,000,000; they would probably have 65,000 horses, which if sold for $120 each would bring $7,800,000, making a grand total of $35,800,000. And

the 'Farmer's Sun' stated, that in addition to this $35,000,000 for butter and cheese and hogs and horses, the farmers would have to put their hands into their pockets for $14,000,000 more to pay the taxes that this government is taking out of the people of this country.

Mr. CLANCY. The Postmaster General did not write that.

Mr. WILSON. I do not think he did.

Sir WILLIAM MULOCK. Would the hon. gentleman (Mr. Wilson) allow me to put a question to him ?

Mr. WILSON. Yes.

Sir WILLIAM MULOCK. What would the hon. gentleman do if he had it in his power to give effect to his views ?

Mr. CLANCY. Put the Postmaster General out first and then we would tell him.

Mr. WILSON. I would not put the Postmaster General out on any personal grounds, but I would certainly put him out politically. My policy would be that we would not import so much ; we would manufacture the stuff in this country and we would have both the goods and the money. That is the policy we want in this country.

Sir WILLIAM MULOCK. The hon. gentleman means that he would increase the duties ?

Mr. WILSON. Yes, Sir, that is what I mean.

Sir WILLIAM MULOCK. And thus increase the taxation on the people ?

Mr. WILSON. No, Sir, that does not follow. If the Postmaster General will look at the public accounts he will see that under what he calls comparative free trade, he is taking $2.37 per head more out of the people than we took in 1896 when we had protection. That is what would happen again. We would make the goods in this country ; we would give the people employment ; and we would have the goods and the money, and the people would prosper.

Sir WILLIAM MULOCK. The first step would be to increase the taxes.

Mr. WILSON. Not at all.

Sir WILLIAM MULOCK. The first step would be to increase the duties.

Mr. WILSON. That would not necessarily increase the taxation. In no place in this country was that question discussed in 1878 more than in the riding I represent. It was then represented by the Minister of Finance in the Mackenzie administration. We had a gentleman in that riding named A. R. Roe, who I believe was as well up on the national policy as any man in Canada, and he showed up that question to such an extent that the Minister of Finance insisted that he should speak first so that he might have an opportunity of answering him. But when this occurred two or three times, Mr. Roe used tell the people what the Minister of Finance was going to say, and then answer it. In the end the Minister of Finance would not even speak at the same meeting with Mr. Roe he was so afraid of him : Mr. Roe has gone to his reward long ago.

Mr. INGRAM. What became of the Finance Minister ?

Mr. WILSON. The Finance Minister was left at home. I have here another table which shows the total receipts from all sources and if hon. gentlemen permit I will place on 'Hansard' but if not I will read it to the House. Very well, I will read it, and it is as follows :

Year.	Receipts.	Increase.
	$ cts.	$ cts.
1896	36,618,590 72	
1897	37,829,778 40	1,211,187 68
1898	40,555,038 03	3,936,447 31
1899	46,741,249 54	10,122,658 82
1900	51,029,994 02	14,411,403 30
1901	52,514,761 13	15,896,110 41
1902	58,050,790 03	21,432,199 31
1903	66,037,068 93	29,418,478 21
Total income from all sources		96,428,485 04

According to the speech of the hon. Finance Minister the receipts for this year will be $71,000,000, an increase over 1896 of $34,381,000, or a total increase over 1896 of receipts in the eight years of $130,809,895. Now, what have they done with this money ? They boast about the public works they have built; but if we were bleeding the country white in 1896 and before that, what are these people doing ? When you think of every man, woman and child in this country being taxed $2.37 per head more than they were in 1896, how can these people tell us that they have reduced the taxation, and that they are the party of low taxation ?

I want to say a few words about the Quebec bridge. I think it was simply outrageous to put that concern into the hands of a private company if it was to be aided as largely or nearly as largely as it has been aided by the public treasury of this country. When the Prime Minister informed this House that he was going to grant a bonus of $1,000,000 to that bridge, he brought down a report from an engineer that it could be built for $4,060,000. When I read that, with the knowledge of the aid that has been given since, I thought of what the hon. member for St. Mary's (Mr. Tarte) used to say when he was Minister of Public Works and was getting his estimates passed. When he was cornered a little, he would say : 'Well, I

don't know anything about these questions ; I depend on my engineer, and if he deceives me, it is bad for him.' I thought that if the Prime Minister would just say to the engineer who gave him that report : 'I want an explanation why you deceived me to the tune of three or four millions of dollars ; you only told me half the cost ; I want your explanation, and if it is not right, you will have to go.' But I am somewhat of the opinion that the instructions which the engineer got at first were of a very different character from what the engineers got later when they were expected to build the bridge and all the approaches. Why was not a fair estimate of all these things given in the first instance ? Was it because it was thought that if that were done this House would not pass the bonus of $1,000,000 ? I do not think that is the way to carry on the business of this country. It is stated that Mr. Parent, the premier of Quebec, who is president of the bridge company, has only put in $5,000 out of a total subscribed capital of $267,680. That was certainly not a company in a position without government aid to build a bridge of that kind, and it never ought to have been granted a charter or any assistance from any government to undertake a public work like that. It was a public work which, if necessary at all, ought to have been built by the government. If not, it should not have been built by being assisted so largely by the government. Now, the case just stands this way :

Federal aid..	$ 374,353
Provincial aid	250,000
Municipal aid..	300,000
Making a total of..	$ 924,353
Federal guarantee..	6,678,200
Paid-up capital..	267,680
Total funds provided... ..	$7,870,233
Estimated cost..	4,060,000
Excess of cost over estimate..	$3,810,233

Now, I do not accuse the First Minister of deliberately and wilfully deceiving us, because I do not think he would do that; but I say he was not sufficiently informed, or that bridge would never have been built by a private company with a capital of less than $300,000.

I want to refer to a little matter regarding the Montreal Rolling Mills. The steel corporation of the United States came over and took them by the throat and said to them straight, because the tariff of this country enabled them to do so : 'Unless you buy your rods from us, we will enter your market and put you out of business.' What was the result ? They simply capitulated, bought their goods from the American company and took this market. That would not occur if we had a proper tariff.

I confess that I could not just follow the hon. Minister of Finance the other day sufficiently to satisfy myself that he was quite clear in regard to the dumping part of his tariff. I think it showed pretty clearly that he himself has come round to be a protectionist. The old free trader says : It is our business to buy in the cheapest market and sell in the dearest ; but he went on to say, as every protectionist would say, that it was not always in the interest of the trader to buy in the cheapest market, because it may not be the cheapest market very long ; and when those who control it get the upper hand of you, they might put you in the soup. I am sorry my hon. friend Mr. Ross, of Victoria, is not in, because he is a very nice old gentleman, and I would like him to hear what I say. He was very anxious, I am told, to be the candidate again, though a very old man, and he took occasion to write a letter to a newspaper, which I have no doubt the Minister of Finance has seen, in which he pointed out that although his constituency had a population of a little less than 11,000, he had succeeded in getting twenty-eight appropriations for it —for breakwaters, wharfs, refuges for boats, and one thing and another—amounting to $116,000, or $10.50 a head for every man, woman and child in it. If that is the way public moneys are frittered away, no wonder we are not reducing the debt very much. It is not very creditable to find that these people have had $130,000,000 more than the late government were getting, when they said the late government were bleeding the country white, and they have not reduced the public debt more than $1,000,000.

Sir WLILIAM MULOCK. To which of those appropriations does the hon. gentleman object ?

Mr. WILSON. I am not sufficiently familiar with the locality, but I would like to know to which ones the Postmaster General can point as necessary.

Sir WILLIAM MULOCK. We say they are all necessary.

Mr. WILSON. I am afraid the hon. gentleman is speaking without knowledge or is carried away by his party views.

Mr. J. J. HUGHES. Will the hon. gentleman say that any are unnecessary ?

Mr. WILSON. I think the hon. gentleman could do that himself.

Mr. J. J. HUGHES. I will indicate the necessary ones and that is the whole list.

Mr. WILSON. I recollect that when the Grand Trunk Pacific was being discussed, not one hon. gentleman opposite could tell within ten million dollars what it would cost. They made some statement about its costing only $13,000,000, but that was absurd. I shall take occasion, before the session closes, to call the attention of the Prime Minister to a rubber combine. There are 74 wholesale rubber jobbers, and there is not one who does not belong to the association. They have the guarantee of the

manufacturers not to sell to any one who is not a member of the association. If the Minister of Finance is prepared to take the matter up, I will furnish him with the by-laws and report of the last annual meeting and the sheets they give their travellers when they send them on the road. Each one has to make a declaration, and his travellers also, every two or three months—they used to have to make it once a month—that he will stand by the arrangement entered into or forfeit a check for $500, which he has to put up. They have raised their prices anywhere from ten to twenty per cent, and besides that they have lessened the discount from two to seven per cent.

Mr. FIELDING. Are they manufacturers ?

Mr. WILSON. Jobbers. I cannot tell about the manufacturers.

Mr. FIELDING. The goods are made in Canada ?

Mr. WILSON. Yes, and the law provides that you can institute an investigation; and if these things turn out, as I say they will, you will be able to reduce the duties. You are able to take the duties off altogether, and I am not sure that you can prosecute the people under the Criminal Code. I think that something should be done, and if the Finance Minister will appoint any time within a few days, I will give him the informaton.

Mr. FIELDING. There is a method provided under the combine clause of the tariff; and if my hon. friend pursues that method, we will deal with the matter.

Mr. WILSON. You will not take the responsibility ?

Mr. FIELDING. We will prosecute the inquiry if we have a foundation to go on.

Mr. WILSON. If I furnish you with the by-laws of the association and the report of the annual meetfng will that be sufficient ?

Mr. FIELDING. Let my hon. friend make his case and we will deal with it on its merits.

Mr. WILSON. I have stated my case.

Mr. FIELDING. Let the hon. gentleman look at the combine Act and say that if a commission should be appointed, he will be prepared to sustain the charges he makes, and if he does, he will find that the commission will be appointed.

Mr. WILSON. You want to put me to all the cost and trouble before you will proceed.

Mr. FIELDING. The commissioner will be paid by the government, but the hon. gentleman will have to make out his own case.

Mr. WILSON. And that will have to be done for nothing.

I shall not pursue that any further, but shall take up another matter, and that is the purity of the Liberal party as exhibited in the courts. In my own riding we have had a good many contests, and the Liberal party have never been able to unseat a Conservative member in Lennox since 1882. We have unseated three or four Liberals if not more, but although the Liberal party put in their protests at our last local election, and although our member had only three of a majority, they were unable to unseat him. I have taken up a good deal of the time of the House and have not got through more than one-half what I intended to say, but I am certainly in favour of a change somewhat different from that proposed by my hon. friend the Minister of Finance, and I think he will find it in the resolution proposed by the leader of the opposition.

Mr. A. B. INGRAM (East Elgin) moved the adjournment of the debate.

Motion agreed to and debate adjourned.

On motion of Mr. Fielding, House adjourned at 11.30 p.m.

HOUSE OF COMMONS.

WEDNESDAY, June 15, 1904.

The SPEAKER took the Chair at Three o'clock.

FIRST READINGS.

Bill (No. 136) to incorporate the Similkameen and Keremeos Railway Company.—Mr. Morrison.

Bill (No. 137) respecting certain patents of the Canadian Office and School Furniture Company Limited.—Mr. Clare.

PRIVATE BILLS—EXTENSION OF TIME.

Mr. W. S. CALVERT moved :

That that portion of the 49th rule which limits the time for receiving petitions for Private Bills be suspended in reference to the petition of the Rio de Janeiro Light and Power Company, presented this day, praying for an Act to change the name of the company to the Rio de Janeiro Tramways, Light and Power Company, and granting powers to construct and operate tramways, railways, telegraph and telephone lines in Brazil, subject to the laws thereof, and that it be read and received forthwith.

Mr. R. L. BORDEN (Halifax). I suppose there is some explanation ?

Mr. CALVERT. This company, I understand, was incorporated under the Companies Act on the 9th instant. They have powers given under the Companies Act, but these are not sufficient. I under-

stand that they wish to construct and operate railways, tramways, telephone and telegraph lines in Brazil, subject to the laws of that country. The reason given to me for the delay in seeking this legislation is that the negotiations between the people of Brazil and the company here were not concluded until a very recent date. Therefore, they took out letters of incorporation under the Companies Act and paid a fee of $2,900 to the government. All the corporators are Canadians. I do not think this legislation interferes in the slightest degree with any company or corporation in Canada. The contract entered into between the people in Brazil and this company provides that the company shall start operations this year. Therefore, if legislation should be left over until next year it would interfere very much with the contract entered into. This is simply the case of a number of Canadians who seek to do business in a foreign country, and I hope the House will grant the necessary legislation.

Sir WILFRID LAURIER (Prime Minister). Do I understand that the powers sought apply wholly to tramways, telegraphs and so on in Brazil, and not in Canada ?

Mr. CALVERT. Only in Brazil.

Motion agreed to.

DISMISSAL OF LORD DUNDONALD.

Right Hon. Sir WILFRID LAURIER (Prime Minister). By command of His Excellency I have to inform the House that it has pleased His Excellency the Governor in Council to relieve the Right Hon. the Earl of Dundonald from the position of General Officer Commanding the militia of Canada. I am prepared to lay the Order in Council immediately upon the table of the House, but as there is other correspondence, and I expect to be able to produce the whole of it during the present sitting of the House, I will keep this order until I am able to lay the whole of it before the House.

QUESTIONS.

OPERATION OF GOVERNMENT RAILWAYS.

Mr. POPE—by Mr. Taylor—asked.

1. What were the receipts on the government system of railways for the current year up to the 31st of May last ?

2. What were the expenses of operation of the government system of railways for the current year up to the 31st of May last ?

Hon. H. R. EMMERSON (Minister of Railways and Canals). This information has been prepared but it cannot be got ready until about the 20th of the month.

COST OF LABOUR COMMISSION, 1886.

Mr. RALPH SMITH asked :

1. What was the cost of the commission issued in 1886 to inquire into the relation of capital and labour in Canada ?

2. How many commissioners were then appointed, and what were their names, and how much was each paid ?

3. When did the commissioners make their report ?

4. What was the nature of this report ?

5. What action was taken on the report ?

Hon. Sir WILLIAM MULOCK (Postmaster General) :

1. $81,718.98.

2. Fourteen (14) commissioners were appointed. Their names, and the amounts paid to each are as follows :—

Hon. James Armstrong, Ottawa..	$7,142.17
John Armstrong, Toronto..	2,400.00
G. Boivin, Montreal..	1,737.90
U. Carson, Ottawa..	2,040.98
J. A. Clark, St. John, N.B..	3,440.40
A. T. Freed, Hamilton..	3,152.19
W. A. Gibson, Ottawa..	2,831.38
Wm. Haggarty, Sydney, N.S... ..	1,862.17
S. B. Heaks, Toronto..	3,122.84
Jules Helbronner, Montreal.. ..	6,507.80
John Kelly, St. John, N.B..	1,637.11
Patrick Kerwin, Quebec, Que.. ..	3,072.98
H. A. McLean, Halifax, N.S....	3,119.65
Michael Welsh, Halifax..	3,586.91

3. First report, February 23, 1889 ; second report, April, 1889.

4. Each report is somewhat voluminous, and deals with a large number of subjects, which will appear on reference thereto.

5. The only action which appears to have been taken was in the session of 1890, when parliament passed an Act to provide for the collection and publication of labour statistics through a bureau, and appropriated $10,000 for that purpose, but the Act remained a dead letter.

FISHERY WARDEN, ALBERTON, P.E.I.

Mr. HACKETT asked :

1. What is the name of the fishery warden at Alberton, Prince Edward Island ?

2. When was he appointed and who recommended him ?

3. What amount of salary does he receive ?

4. How many licenses were issued to persons engaged in the fisheries at Alberton last year; and what are the names of the parties receiving such licenses ; and what fees were paid for the same ? What description of fish was to be taken ?

5. Have any complaints been received by the department with regard to the conduct of the officer now in charge ?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). It has been necessary to write to the inspector of fisheries for some details involved in this question before a reply can be given. The information will be obtained forthwith.

POSTMASTER AT CHESLEY, ONT.

Mr. DONNELLY asked :

1. When did the office of postmaster of the village of Chesley, Ontario, become vacant ?

2. Has a successor to the late postmaster been appointed ?

3. If not, when will the government make the appointment ?

Hon. Sir WILLIAM MULOCK (Postmaster General) :

The postmastership of Chesley became vacant on the 5th May last. No appointment has yet been made to the office, the matter being under consideration.

RECEIPTS FOR CARRIAGE OF CANADIAN NEWSPAPERS.

Mr. CLARKE asked :

1. What sum has been collected in each year since the 30th June, 1897, for the carriage of Canadian newspapers through the mails ?

2. What sum was collected for the period 30th June, 1903, to the 30th April, 1904 ?

Hon. Sir WILLIAM MULOCK (Postmaster General). As the Act came into force only on the 1st January, 1899, no postage was collected on Canadian newspapers between the 30th June, 1897 and the 1st January, 1899.

The amounts collected since the Act came into force, are as follows :

1898-1899 (6 months).. .. ..$	21,703.20
1899-1900 (12 months)..	104,859.05
1900-1901 (12 months)..	107,344.14
1901-1902 (12 months)..	116,576.13
1902-1903 (12 months)..	129,417.64
1903-1904 (to 30th April).. ..	100,071.08

CARRIAGE OF MAILS AT CAPE TRAVERSE, P.E.I.

Mr. LEFURGEY—by Mr. Hackett—asked :

1. Who had the contract for carrying the mails between the shore and the ice-boats at Cape Traverse, Prince Edward Island, during the years 1902, 1903 and 1904 ?

2. Was the contractor paid by the day, or a certain amount per trip ?

3. What are the names of the party or parties employed in carrying mails between the ice-boats and the shore at Cape Traverse for said years ?

4. What was the total amount paid for this service for the years 1902, 1903 and 1904 respectively, and to whom was it paid in each year ?

5. What is the name of the person carrying mails between Cape Traverse and Summerside during the above-named years, and the amount paid in each year ?

6. Were tenders invited by public notice for this service ?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) :

1. 1902, no service performed ; 1903, John P. Irving ; 1904, John P. Irving.

2. The contractor was paid by the day.

3. Mr. Bell and Mr. Irving employed the men required for the performance of their contract.

4. 1901-2, Cape service not operated ; 1902-3, J. P. Irving contractor at $8 per day with men and horses, $384 ; 1903-4, J. P. Irving contractor at $7 per day with men and horses, $217.

5. 1902, No service ; 1903, J. P. Irving, $132 ; 1904, J. P. Irving, $147.

6. It was deemed impracticable to invite tenders owing to the uncertainty of service and its short duration. The assistant post office inspector was instructed to make the best arrangements possible.

MURRAY HARBOUR BRANCH, P.E.I. RAILWAY.

Mr. LEFURGEY—by Mr. Hackett—asked :

1. What was the actual cost of earth excavation on the Belfast and Murray Harbour Branch of the Prince Edward Island Railway, between Southport and Murray river, and the cubic yards of earth excavation ?

2. What was the rate per yard, and the cost per mile ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

1. The actual cost of earth excavation on the Belfast and Murray Harbour branch between Southport and Murray River was $57,361.08.

The total earth excavation was 294,159 cubic yards.

2. The rate per cubic yard was 19½ cents. The cost of earth excavation per mile of line $1,333.98.

EQUIPMENT AT EASTERN GAP, TORONTO ISLAND.

Mr. CLARKE asked :

1. Have any complaints been received by the government respecting the insufficiency or equipment of the bells or bell-buoys at the eastern gap, and at or near the southern shore of Toronto island ?

2. If so, when and from whom were such complaints received ?

3. What steps, if any, have been taken by the government to remedy the defect complained of, and to improve the aids or appliances to navigation, the insufficiency of which is said to have been complained of ?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) :

1. Yes.

2. On 11th June, 1904 from Thos. L. Church, solicitor for the Lake Ontario Navigation Company, Limited, and steamer 'Argyle.'

On the same date and on 10th June, 1904, from the general manager Richelieu and Ontario Navigation Company.

On 10th June, 1904, from the agent of the Niagara, St. Catharines and Toronto Navigation Company, Limited.

On 10th June, 1904 from manager Niagara Navigation Company.

3. Before the receipt of these complaints the department, had already taken steps to establish a powerful fog alarm operated by compressed air, at this place ; and it is expected that the same will be in operation this summer.

INQUIRY FOR RETURN.

Mr. URIAH WILSON. Before the Orders of the Day are called I would like to inquire from the Postmaster General (Sir Wm. Mulock) if he has three letters from Hiram Walker with reference to the dismissal of the postmaster at Wilton, riding of Lennox ? I would like to ask him also if he got a note inclosed by me with a letter from Thomas Prest, authorizing him to take the word 'private' off the letter which he had written to the hon. the Postmaster General with reference to the dismissal of the postmaster at Wilton.

Sir WILLIAM MULOCK. I will make inquiry in regard to the hon. gentleman's question and give him an answer to-morrow.

GRAND TRUNK PACIFIC RAILWAY—EMPLOYMENT OF ALIENS ON SURVEYS.

Mr. E. F. CLARKE. May I ask the right hon. the Prime Minister (Sir Wilfrid Laurier) if all the correspondence received up to date from the Associated Society of Engineers in the west with respect to the employment of alien engineers on the Grand Trunk Pacific has been laid on the table? There was a supplementary return moved for on the 30th May, and I would like to know whether the correspondence called for by the second order has been brought down.

Sir WILFRID LAURIER. As far as I know, but my hon. friend the Postmaster General can answer the question.

Sir WILLIAM MULOCK. I have no recollection of the order. Probably I was not in the House at the time but I will make inquiry and give the answer to-morrow.

Mr. R. L. BORDEN. I understand the return which was brought down comprised all the correspondence up to that date and I think the hon. the Postmaster General, if he looks in to it, will find that I am correct in making that suggestion. It would be well that the return should comprise all correspondence up to the date at which the return was complied with, and I think it would be desirable, if there has been any correspondence since that date on which the return has been laid on the table, that it should be placed before the House in order that it may be advisable in any discussion that takes place on the subject. I presume that the Postmaster General would not have any objection and would not require us to move for another return.

Sir WILLIAM MULOCK. I am not aware of any omissions from the return that was brought down. The hon. gentleman perhaps has some cases in his mind and if he can give me a memorandum of them I will call attention to the matter.

Mr. R. L. BORDEN. I would be very glad to do so. I think I had information of subsequent corespondence which was not included in the return that I examined. That went down to a certain date and I had information that there was further correspondence a few days after that date. What there is subsequent to that I do not know. I have not been in correspondence with the parties and I do not know. All I am suggesting is that if there is any beyond that it would be just as well to have it before the House so that it will be available for any discussion which might take place.

Sir WILLIAM MULOCK. Inasmuch as there may be further correspondence, for instance to-day I received a couple of letters —instead of bringing down the return piecemeal, if it meets with the approval of the hon. gentlemen, we might let the matter remain until the report of the commissioners is presented which will be in the course of a short time. Then you will have the complete correspondence to date.

Mr. R. L. BORDEN. Of course we will be glad to meet the hon. gentleman as far as possible in that regard.

Sir WILLIAM MULOCK. I am indifferent to it.

Mr. R. L. BORDEN. Does anybody know precisely when the report will be received? time there might be no objection to complying with my hon. friend's suggestion, but if on the other hand there is a prospect that it will be considerably delayed perhaps it would be well to bring down such correspondence as is available.

Sir WILLIAM MULOCK. Then perhaps my hon. friend would make a motion to cover everything up to a certain date and that will be complied with. If there is anything subsequent to that we will bring it down whenever ordered.

Mr. R. L. BORDEN. With the consent of the House I would move now :

That an order of the House do issue for the additional correspondence ordered since the last return in the matter of applications for employment of aliens on the Grand Trunk Pacific Railway surveys.

Motion (Mr. R. L. Borden) agreed to.

GOVERNMENT BUSINESS.

Mr. R. L. BORDEN. Mr. Speaker, before the Orders of the Day are called I would like to say to the government in regard to what was mentioned yesterday by the right hon. Prime Minister after I had left the House for a moment, that I gathered from him that some further legislation which had not been mentioned during my presence was within the intentions of the government. What I would like to say to my right hon. friend is that the session is now so far advanced that I think he should have all the legislation before the House at a very early

date. There is not very much business before the House at the present time beyond the estimates and it is usual, I think, to have all government legislation of any importance brought down before a great deal of progress is made with the estimates. I trust that the government will find it convenient to inform the House of the proposed legislation either by the introduction of a Bill or otherwise at the earliest possible moment.

Sir WILFRID LAURIER. I may say to my hon. friend that I have just sent to the clerk a notice that the government will ask for leave to take Mondays for government business and when making that motion on Friday perhaps I will be able to give the information my hon. friend desires.

WAYS AND MEANS—THE BUDGET.

House resumed adjourned debate on the proposed motion of Mr. Fielding :

That the Speaker do now leave the chair, for the House to go into committee to consider of the ways and means for raising the supply to be granted to His Majesty, and the proposed motion of Mr. Borden (Halifax) in amendment thereto.

Mr. J. E. ARMSTRONG (East Lambton). Mr. Speaker, representing as I do, one of the ridings in which crude petroleum is produced and in which an independent Canadian refinery is situated, and believing as I do, that the production of crude oil and the refining of same, forms one of the most important industries in our Dominion. I am anxious to give to the House all the information I can, hoping that this government may see the justice of my plea, and that they will abandon the resolution with reference to oil, which is now before the House.

I realize my utter inability to do justice to this industry in attempting to defend it. I also feel that an irreparable wrong will be done this industry if this resolution is adopted. At the outset, let me state that with reference to this industry I am purely and simply a producer. I have not a dollar in a refinery, or a by-product manufacture. I cannot believe, that the hon. Finance Minister (Mr. Fielding) was conversant with the facts, needs, and requirements of this industry, when, on the 7th of this month, he placed on the table of this House, a resolution, which, if allowed to carry, will blast and blight our business for all time to come.

The hon. the Finance Minister was right when he stated, that no item in the tariff had received more attention in past years, than had the duty on oil since 1868. The Act which refers to crude oil, and its by-products, has been amended eleven times. Several of which amendments were not very important, while others were of vital importance to our industry. In 1868 there was an excise tax of five cents per gallon being paid to the revenue of this country. In 1877 that tax was taken off. Some years later a tax was placed on oil, and since that time it has been howled at, the tariff tinkered and tampered with, and now, before the present government leave office they give it a parting kick. If this were all, the industry might not have so much to complain of, but when you find members of parliament, backed, I am sorry to say, by many of the newspapers of our country, making a football of this industry, not only on the floor of this House, but on the platforms through our country, making the most reckless, unfair, and untrue statements. With reference to our business the wonder to me is that the industry is alive to-day.

And, Mr. Speaker, were it not for the unfailing, dogged, determined pluck of our people and the confidence they have that there is plenty of oil to be found in Canada, if only capital could be induced to take hold of the business ; were it not also that ten million dollars have been invested in this industry by men, most of whom know no other business, the Canadian oil industry would not now be in existence. No other business could be kicked from pillar to post, discouraged at every turn, cut and slashed at from one end of this Dominion to the other by men who have not the first conception of the necessities of that industry, and still live. The cry of the oil people is : Will the time ever come when a definite policy with regard to the oil tariff can be assured to them for any number of years ? Our industry is largely a speculative industry, and we all know that it takes little to discourage capital and divert it from an enterprise of such a nature. Were it not for the constant agitation carried on in this country and the frequent tinkering with the oil tariff, there is not a doubt in my mind that to-day we would not only be supplying the home market, but we would be exporting large quantities of oil. In order to show how, with reference to our industry, great quantities of oil can be produced out of a very small area of land, I wish to call the attention of the House to a few statements in the ' Oil Investors' Journal,' with reference to the Texas field, and what result the Texas field will have on our market I will not venture to assert. For instance, in the year 1902 the Beaumont field in Texas produced from about 200 acres of land, some 17,000,000 barrels of oil ; in 1903, the Sour Lake field, from about 200 acres of land, produced 7,000,000 barrels of oil ; the Batson field, from a little over 200 acres, has within three months produced over 4,000,000 barrels of oil. And when I tell you, Mr. Speaker, that oil in Beaumont was selling in the year 1902 for two and three cents a barrel, you can readily see that there is a possibility of Texas oil being a factor in our market.

Mr. HEYD. Did you say it was sold for three cents a barrel ?

Mr. ARMSTRONG. Yes, Sir ; and I will read from the 'Oil Investors' Journal' to satisfy you as to that :

Mr. Oliphant's figures at best are approximate, and he is correct in valuing the oil at what it brought the producers. Spindletop oil sold as low at 2 and 3 cents early in 1902, such prices being the inevitable outcome of the subdivision of the hill into very small tracts of land, which were sold at enormous prices —$3,500 for a thirty-second of an acre being the average figure, although instances are on record where a twenty-fourth of an acre brought $12,000.

Mr. COWAN. What is the nature of the Texas oil as compared with our oil ?

Mr. ARMSTRONG. The gravity of the oil in the Batson field is stated here.

Mr. COWAN. I understood it was the Beaumont field oil that was selling at two or three cents a barrel.

Mr. ARMSTRONG. The Batson field is within twenty or thirty miles of the Beaumont.

Mr. COWAN. Is it the same quality of oil ?

Mr. ARMSTRONG. No; the Batson field is of lighter gravity than the Beaumont. I will read what this paper has to say :

Value of Batson Oil for Refining.

The best oil so far found in southeast Texas is undoubtedly the Batson crude. A sample of this crude oil which was submitted to the Smith-Thiele laboratory for analysis showed the following results —

	Specific gravity.	Degrees Beaume.
Crude oil	·880	29·1

Mr. COWAN. That is not the oil that was selling at two and three cents a barrel.

Mr. ARMSTRONG. No.

Mr. COWAN. I would like for my own information, to know what the gravity of the oil was that was selling at two or three cents per barrel, and which the hon. gentleman thought might come into competition with our oil.

Mr. ARMSTRONG. I have not the information with me, but I may say with reference to the Beaumont and Sour Lake fields that the gravity is not as high as it is in the Batson field, which has lately come into existence. Now, Sir, let me point out what they have accomplished in that field within three years. Six refineries have been built in Beaumont and Port Arthur, and they are shipping their product to the north. Between the 1st of January and the 28th of April they shipped out of Port Arthur 3,116,-242 barrels, which will give you some idea of the extent to which the oil is exported from that field. Dozens of Standard Oil tank steamers are bringing that oil to Philadelphia, New York and the northern states. Now, Sir, previous to the present agitation in this country, which was brought about by the Standard Oil Company to serve their own selfish ends, every one of the seventy drilling rigs owned by the people of Petrolea, and in connection with which over 200 men are employed, were distributed throughout the length and breadth of our Dominion searching night and day for crude oil and gas. But, Sir, for several weeks past, if you were to go to Petrolea you would find numbers of drillers walking our streets, the rigs shut down, the development at a standstill, and confidence in the future of our industry shaken as it never was before. And, why, Mr. Speaker ? It is because the government of this country have been dickering with the Standard Oil Company and with the tariff, and they have placed the producer, the independent refiner and the consumer entirely in the hands of the Standard Oil Company.

About six years ago the Standard Oil Company purchased a small refinery in the town of Petrolia, and before one year had elapsed four other refineries in our town had been purchased by them, thus giving them the control of the refining industry in Canada at that time. The Standard Oil Company then purchased a large block of land in the town of Sarnia, they tore down the Petrolea refineries, making use of such of the materials as they could in building their plant at Sarnia ; they then built a plant larger than was necessary for the refining of our product and commenced to take control of our market. About four years ago the Standard Oil Company refused to supply the gas companies of Canada with the product used to assist in the manufacture of gas. In consequence of that the gas men came to the government asking for free oil. This request was refused by the government. Representatives of the gas companies came to Petrolea and contracted with the independent producers, many of whom have been supplying gas companies up to the present time. When the Standard Oil Company found the gas men were obtaining the crude oil for manufacturing, word came from New York—from which centre we must expect to receive all future orders—to supply the gas companies with oil, and consequently the Standard Oil Company commenced at once to squeeze the Canadian producers out of competition, and they have been successful.

Mr. HEYD. In what way did they squeeze out the producers ?

Mr. ARMSTRONG. By the action of this government, Sir.

Mr. HEYD. But you have not told us how.

Mr. ARMSTRONG. They have absolute control of the market ; not a doubt about it.

Mr. HEYD. That does not answer my question. How could they squeeze out the producer, except by lowering the price ?

Mr. ARMSTRONG. Have not the trusts and monopolies squeezed out the binder twine and barbed wire factories ?

Mr. HEYD. You have not explained that yet.

Some hon. MEMBERS. Order.

Mr. HEYD. Mr. Speaker, this is a matter of importance, and I do not want to ask the hon. gentleman a question unless he is willing.

Mr. BENNETT. Tell us about cutlery.

Mr. HEYD. Never mind the cutlery ; we are not discussing that now. The hon. gentleman says the Standard Oil Company squeezed out the producers and I want to know how they could do it except by reducing the price of crude oil ?

Mr. ARMSTRONG. If you listen to what I have to say, you will find out before I get through how they do it. The petroleum Act was amended on the 29th of June, 1897, by this government, granting to the Standard Oil Trust the importation of oil in tank ships. I want you to notice the step by step taken by the Standard Oil Company, leading up to the 7th inst. See how well laid their plans were, and how successfully they have been carried out. By tank ships, many of which they own, the crude oil can be brought from Toledo, Ohio, to Sarnia, where the Standard Oil Company's refinery is situated, at a very small cost.

About two years ago, a number of producers, being dissatisfied with the treatment they were receiving at the hands of the Standard Oil Company, purchased land and built a refinery in Petrolea, which has been extended, and employs 65 men and cost $250,000. This company has been most successful in competing with the Standard, and within the past few months, have secured independent distributing stations, situated in the principal cities and towns, in the Dominion. It has over 300 stockholders, many of whom are among our brightest and best business men, and all but one or two I understand are Canadians. But then, Mr. Speaker, this government does not believe in Canada for the Canadians. It is Canada for the binder twine trust, the Standard Oil Trust, and any other trust that will pay the price.

Well, about one year ago, the Standard Oil Company stated to some of our prominent producers, that unless the tariff on crude oil was reduced to such an extent that they could import, manufacture, and distribute its products throughout our country at a profit, they, the Standard Oil Trust, would be compelled to agitate among the members of parliament, and the Ministers of the Crown, and on the platforms and in the press throughout our country, until they received what they wanted. Naturally our people felt that they should at least investigate the matter. A meeting of the producers was called ; explanations were made to our people, that unless the duty on crude oil was reduced to where the Standard Oil Company wanted it, they would at once, apply to parliament. A committee of 25 producers was appointed, to meet with the representatives of the two refineries, to hear their grievances. The committee was called; the Standard representatives refused to treat with so large a committee, whereupon the committee was reduced to nine. The nine men met the representatives of both refineries, and, after discussing the question for several days, refused to accept the Standard's proposition. The Standard men then came to Ottawa, and were refused their request, which was, to leave the duty on refined, at 5 cents per gallon, but reduce the duty on crude to 2 cents per gallon.

Why the government of this country would refuse any concessions last year, and this year grant more than any desire the Standard Oil Company ever made public, is one of the Chinese puzzles of the present session. The Standard Oil Company were prepared, up to two months ago, to pay for all crude oil coming into this country, a tariff of 2 cents per gallon. If the refined oil will be all made in Canada, as we are assured it will, now that the crude can come in free, what matter if the tariff be 2½ cents or 5 cents if the Standard have control of our market ? It is estimated that it will take 1,000,000 barrels of crude, to refine sufficient oil to supply this country for one year. 1.000,000 barrels of crude oil at 2 cents duty per gallon, would amount to $700,000. This is a dead loss to the country, and a clear gain to the Standard Oil Company, because they would have paid that and had control of the market. Now they have the same control of the market, and don't have to pay a cent for it. However the government refused the Standard Oil Company control of our markets last year. The Standard men went home, and in a few months they started the agitation again among the producers. After months of manipulating with the producers and the government of this country, they finally obtained signatures from about 100 producers, many of whom were in their employ and others situated near Standard pipe lines, through which their oil had to be shipped, while a large number signed it through fear. This petition was brought to the government a few months ago. I have a copy of it here, and I will recite a few clauses, so as to give you the nature of the petition :

> Therefore while we strongly assert that any reduction in the present tariff upon the refined products of petroleum would be disastrous to our mining industry, and injurious in many ways. And we inseparably connect this assertion with our further statement, when we say that for the purpose of increasing

the manufacture of refined oils in Canada, we assent to the reduction of the present tariff upon crude oil of 5 cents, and 2½ cents per gallon for all purposes.

The Governor in Council retaining or acquiring the power to make all regulations regarding the importation of such oil.

There was another petition presented at the meeting held in the town hall, Sarnia, at which the Standard representatives were present. That petition was largely signed by the citizens of Sarnia, from a purely selfish motive. Though not owning an oil well, they, from purely selfish motives, thought that a few more men would be employed in Sarnia if the crude oil was brought in; and they were assisted in the matter by the hon. member for West Lambton (Mr. Johnston), who, I believe, has received several telegrams of congratulations from the Standard Oil Company, New York, and their supporters. I cannot help thinking that the hundreds of farmers in his back townships will have a different story to tell. I will read a paragraph or two from that petition, which will show the generosity of the people of that town, towards our industry:

That the reduction of the duty on crude to 2 cents, while maintaining the duty of 5 cents on refined, would not in the opinion of your petitioners result in the loss of any revenue of this Dominion.

That in view of these facts, your petitioners would humbly request that the duty on crude oil be reduced to 2 cents per gallon and that the duty on refined oil be maintained at 5 cents per gallon as at present.

Brave patriotic people of Sarnia! Do they not realize that by their action and this government's action, the Canadian oil industry is vitally injured, and drillers and workmen are left to eke out an existence as best they can?

The independent producers, circulated a petition, and it is to-day in the hands of the government, with some 400 names on it, asking that no action be taken. Many towns and townships in Western Ontario, presented petitions, asking that no action be taken. I believe the hon. member for South Brant (Mr. Heyd) received a petition from his own town demanding that no reduction be made on the duty on oil.

Mr. HEYD. What do you mean by a petition from my town?

Mr. ARMSTRONG. A resolution passed by your board of trade.

Mr. HEYD. Yes.

Mr. ARMSTRONG. The representatives of the Standard Oil Company have been here and in Montreal, the latter place being very easy to reach for a quiet talk. The representatives of the producers, and the independent refiners have been here, but the Standard Oil Company won, and the people all over this country are asking to-day what was the price they paid. Perhaps hon. gentlemen opposite could tell us?

Mr. CALVERT. Does the hon. gentleman say that the Standard Oil Company asked to have the duties changed as they are to-day?

Mr. ARMSTRONG. I cannot tell you anything about it, but if you ask the ministers, they will tell you.

Mr. CALVERT. I can tell the hon. gentleman that the Standard Oil Company did not ask anything of the kind. They did not want the duties taken off coal oil, and what has been done has been done for the people of Canada generally, and the producers, so far as I know, are perfectly satisfied with the position taken by the government.

Mr. ARMSTRONG. You would be expected to make just such an answer.

Mr. CALVERT. Certainly.

Mr. ARMSTRONG. I was referring to the fact that the government of this country are against us and also the Standard Oil Company, and I am sorry to say that in many cases the press to some extent is against us. I am glad to say that previous to the government taking action, many of the prominent newspapers were strongly opposed to any reduction in the duty on oil. I have here a book of clippings from many newspapers with reference to the oil industry and many of these are of a most condemnatory character of the policy of the government.

What guarantee has the producer that this is the last slash he is going to have? How do we know that before the year is out something else may drop. I would like to ask the Finance Minister why has this industry been singled out for special attack, at this time? Why did the government not wait until their commission was appointed before dealing with the matter.

The oil men court investigation, they invite inspection of their industry, but they condemn any action being taken without a fair trial.

The oil industry of the Dominion has been neglected and ignored by the government. Previous to their coming to power, a few thousands of dollars were spent each year in development for gas and oil, which was of great use to men looking for a new oil and gas field.

Since 1898 not one dollar has been spent in development, and the mining reports show that thousands of dollars worth of tools and drilling material is stored at Edmonton, rusting and rotting, while the industry is being sold to the Standard Oil Company.

The government of this country, both in the reports of the provincial House and the Geological reports of this House, seem to try and take as little notice of our industry as they can possibly do.

Take the report of the Bureau of Mines of Ontario ; it takes up 43 pages of that report talking about the peat industry. While the oil industry, in which more money for development is spent in one day by private individuals than is spent in a whole year in developing the peat industry, less than three pages is given, and the log of one well ; yet there has not been less than 500 wells drilled in all parts of Ontario during that time. Never in our history have drills been so successfully worked or at least, so continually at work throughout the length and breadth of our Dominion as within the past two years. In the Geological Department here even a worse state of things exists. The last report devoted to the gas and petroleum industry of our country is dated 1891. The report of the Bureau of Mines devotes a few pages to statistics, and gives the log of a few wells, but not a general summary of the work.

I have had occasion to spend a great deal of time in the Geological Department, and I find a most deplorable state of affairs. Here is Dr. Bell, a man who has done more for the development of the mines and resources of this country than any man living. A man who has devoted a life-time to his country, being 48 years in the civil service, appointed as acting director, which office he has held for going on four years, am I not justified in asking why this man is not gazetted ? He is a man, who has been responsible, more than any other man, for the development of our resources, a man eminently qualified to fill the position. A man to whom the people of this country are indebted for the greater part of the topography of this Dominion. A man whose ability cannot be questioned, whose writings and works are of the greatest interest to our people and to the civilized world.

Dr. Bell is one of the best scientific men of this age, his explorations and writings are invaluable to our country. He is a fellow of the Royal Society of Canada, the Geographical Societies of London and America, the Chemical Society of London, and of the Royal Society of London. The last mentioned distinction is considered the culmination of the ambition of British scientists and last year King Edward conferred on him the Companionship of the Imperial Service Order 'for faithful service.' He is a perfect storehouse of information about Canada, and I hope the Minister of the Interior will not let another week go by without gazetting him. Dr. Bell is merely holding his office from day to day, and cannot be expected to initiate new regulations, hence he cannot do justice to his department or to the country.

It is not the fault of the civil servants of the Geological Department that more information is not furnished with reference to the oil industry, it is the fault of the Minister of the Interior. Tens of thousands of dollars are spent each year in prospecting and developing the mines of this country, and the oil business is taken little notice of. $123,930 was spent in the Geological Department in 1903 and only a little mite of this has been spent in furnishing information about gas or oil. $152,666.25 is to be voted this year being an increase of $28,736.25. I wonder how much the Minister of the Interior can spare for oil and gas development.

While I am at the question, I would like to call the Minister of the Interior's attention to what I believe a most serious blunder in his management of the Geological Department.

When I first came here I had occasion to obtain a number of reports of the Geological Department and was compelled to pay for same. On inquiry I found that the department had a man whose sole duty was to collect the money for these reports, and that his salary amounted to more than the money collected. Another instance of this business government. Tons of these reports are in the cellar moulding and rotting. Surely if this government can spend from $123,000 to $153,000 each year in obtaining information, a few hundred dollars would be well spent in distributing it. What is the sense of sending men through this land gathering information and then bottling it up and keeping a man to collect 10, 15, 20, or 25 cents on these volumes, when he does not collect enough to cover the salary he is paid. Surely the Minister of the Interior will remedy this state of things, and first of all place Dr. Bell where he ought to be.

Part of this matter may appear a little off my subject, but it all has a distinct bearing on the oil question because we have been neglected at every turn.

Remember this, that every barrel of crude that comes into our country, brings with it all the by-products, all the benzine, gasoiene, naphtha, tar, coke, fuel oil, lubricating oils of all kinds from that used on the bycicle and sewing machine to the grade used on the railroad engines, besides paraffine wax, paraffine candles, vaseline, and most of the 'ines' in the drug store, chewing gum, hair oil, all of which are taken from the crude oil. Who do you suppose will control the market for all these by-products ? Is it the man who will manufacture them ? No. You will find the Standard Oil making the first price. Why? Simply because the crude comes in free, and brings in all these by-products with it, and the Standard is, and will be, the only refinery that will handle the American crude. How much will the farmer and the workingman get out of these things ? When the farmer goes to buy lubricating oil for his machinery, will he be able to get it for less ? Will he be able to buy his machinery for less because the manufacturers get the fuel oil in free ?

Will the workman buy his tools at any lower price? Will his benzine to mix paints be cheaper? Will the man with his gasolene and naphtha launch or his automobile obtain any benefit through these articles being on the free list? I fear not. It may be like the Grand Trunk Pacific—start off with a great blowing of trumpets, offering great things to this Dominion, and then, within one short year, fall with a thud, leaving hon. gentlemen opposite sorry for ever having launched such a wild-cat scheme. So, to-day, the Standard reduce the price of refined and raise the price of crude as a sop to the people for what they have accomplished. It is strange how soon the managers of the Standard in the distributing stations jump into print to assure the people that no one is hurt. They have given a regular pyrotechnic display—the Minister of Finance objected to my using the expression 'fireworks,' so I had to hunt up another word. They have been making that display, and, no doubt the government of this country have made arrangements with them practically for that display. Certainly, this is small politics. But rumour has it that the Finance Minister did not prepare this resolution, that it is the production of the hon. member for London (Mr. Hyman), who has, without previous knowledge, given out the word that he was thoroughly acquainted with the oil business and knew the condition exactly. Mr. Speaker, I stake my reputation on the assertion that neither of these men prepared the resolution, and that they do not know the meaning of several of the expressions used in it. Who, then, prepared the resolution, if it was not the Finance Minister or the minister-to-be from London? I believe that what I am about to state is a fact, and that is that the resolution was prepared in its entirety by the Standard Oil Trust, and that the principles contained therein were dictated to the government by a representative of that trust. And I defy hon. gentlemen opposite to disprove that charge. The Standard have been operating in this country for about seven years. During that time the price of refined oil has gradually increased. Who can say that the price will not be increased when this storm blows over? Who knows that the price is going to be continued as low as it is to-day. It was not the consumer in this case that agitated the question at this time. No; it was the Standard Oil Trust, and the government could not stand the pressure. I do not find fault with American capital coming into our country and developing our industries. Far from it. But what I do find fault with is an American monopoly, whose policy is dictated from New York controlling the Canadian producers, the Canadian refiner and the Canadian consumer, bleeding the people of this country for all they are worth and taking the profits to New York to pay out fat dividends to American holders of Standard stock. Why do not the Standard Trust, with their millions of capital develop our industry? They have spent some money in wild-catting; why do not they go at the development of this country's oil resources? Oil has been found in many places throughout this country, and it would be most beneficial to the country if the Standard would spend money in developing some outside fields. The Leamington field has given us a new proposition. Formerly we thought the oil was only obtained at about 500 feet below the surface..

Mr. COWAN. Will the hon. gentleman tell us where there was ever a well in the Leamington district at which oil was struck at 500 feet?

Mr. ARMSTRONG. I am sure the hon. gentleman (Mr. Cowan) misunderstood what I said. Let me repeat: I said that the Leamington field has given us a new proposition. Formerly, we thought the oil was only obtained 500 feet below the surface. But this field has several large producers at 1,100 feet, being a continuance of the Ohio strata. And these have been found within a few months. Why has not the Standard put money into the development of that field, I would ask the hon. member for South Essex (Mr. Cowan)?

Mr. COWAN. I can tell my hon. friend that the development of that field has been by American money principally.

Mr. ARMSTRONG. That is true; but what encouragement will American capital have to continue in that business under present conditions?

Mr. COWAN. Because——

Some hon. MEMBERS. Order.

Mr. COWAN. I will not answer the question if the hon. gentleman (Mr. Armstrong) who has the floor does not wish me to. He asked a question.

Some hon. MEMBERS. Order.

Mr. COWAN. Well, if the hon. gentlemen object, I have nothing further to say.

Mr. ARMSTRONG. Is there a man in this House who believes that this change in the tariff will lead the Standard Oil Company to take an interest in the development of the oil industry in this country? I do not believe that even the hon. member for South Essex (Mr. Cowan) has sufficient faith in the Standard for that.

Mr. COWAN. But I believe that this will raise the price of crude oil.

Mr. ARMSTRONG. No, they will let the poor Canadian hunt around, and if he strikes anything real good and sure he will find the man from New York right alongside to divide up with him. We sit here and are asked to vote money for the de-

velopment of our mining industries, and, at the same time, we strike a blow at one of the greatest mining industries that we have.

Let us look at the producing end of the business. Previous to the 7th instant, the producer and the independent refiner were masters of the situation. To-day the Standard has absolute control. The Ohio field is the nearest oil field to the Standard oil refinery. Consequently they will use no other oil. The price of crude oil in South Lima on the 6th instant was $1.08 ; loading on tank cars, 8 cents ; transportation to water-front, 5 cents ; cost of hauling to Sarnia, 10 cents—making a total cost at the Standard refinery at Sarnia of $1.31. Add to that the bounty of 1½ cents per gallon or 52½ per barrel, and you have a total cost of $1.83½.

Mr. COWAN. Those are not the market quotations at the water-front—$1.31 is not the price of North Lima oil at any water-front point in Ontario.

Mr. ARMSTRONG. I can tell the hon. gentleman (Mr. Cowan) that these quotations have been investigated, and these statements have been made on the platform and in front of the Standard Oil Company's representatives, and they did not dare to deny them.

Mr. COWAN. What are the prices to-day ?

Mr. ARMSTRONG. The price of crude oil in Petrolea on June 6th was $2.09. The difference against the producer and in favour of the Standard is 25½ cents per barrel. Do you expect them to give more to the Canadian producer, when they can get a better article for less money ? What does the hon. member for South Brant (Mr. Heyd) think now with regard to the producer ?

Mr. HEYD. Does the hon. member mean to say that the Ohio crude is better than the Canadian ?

Mr. ARMSTRONG. Yes. The Canadian crude is 31 gravity on the average ? But North and South Lima oil average 38 to 40 gravity. And I will show the hon. gentleman in a few minutes the difference between oil at 31 and oil at 38 to 40 gravity. It will surely be good news to the producer when he sits down to figure it out. Hon. gentlemen opposite will say that the price of crude is raised. Yes, but the Standard is paying on the price of Pennsylvania crude to-day, not on the price of Ohio crude. Will the Standard pay 29 cents per barrel more for a worse article, of a less gravity? Now Ohio crude is of a lighter gravity, as I told hon. gentlemen ; hence more refined oil can be taken out of it, which will give it a preference over Canadian crude. Even at the same price, the Standard could afford to pay more for Ohio, and I will prove that. I have taken here, Sir, 100 gallons of crude oil, 100 gallons of Canadian crude and 100 gallons of Ohio crude, and I have divided them up into their different parts.

CANADIAN CRUDE OIL 31 GRAVITY.

Products.	Gallons.	Duty.	Amount of Duty.	Selling Prices.
	Per Cent.	Cents.	$ cts.	$ cts.
Gasoline and benzine	4	5	0 20	0 56
Refined oil	45	5	2 25	5 40
Fuel and gas oils	25	2½	0 72½	1 56
Lubricating oils	12	5	0 60	1 44
		Per cent.		
Wax	2	30	0 24	0 80
Coke	5	None.	None.	0 14
Loss	7			
	100		4 01½	9 90

Average duty $4.01½ per gallon. Selling price of all, $9.90.

OHIO CRUDE OIL 38-40 GRAVITY.

Gasoline and benzine	12	5	0 60	1 68
Refined oil	50	5	2 50	6 00
Fuel and Gas oils	16¼	2½	0 40	1 02
Lubricating oils	12	5	0 60	1 44
		Per cent.		
Wax	1¾	30	0 21	0 70
Coke	3	None.	None.	0 09
Loss	5			
	100		4 31	10 93

Now, Mr. Speaker, the selling price of all these articles in 100 gallons of Canadian oil, amounts to $9.90. The selling price of all these articles I have referred to in the American oil amounts to $10.93, leaving a difference against the producers of oil in this country of about one cent a gallon. 100 gallons of Ohio crude is worth $1.03 more than is a like amount of Canadian crude. If you add the 25 cents per barrel less than the Standard may pay for Canadian crude oil to the 35 cents per barrel which is the extra value of Ohio crude over the Canadian crude, this gives the Standard trust 60 cents of a lever to hold over the head of the producers and independent refiners in this country, and encourages the Standard to the extent of 60 cents per barrel to use American crude, which in turn wipes out the bounty of 52 cents per barrel, and leaves the producer at a disadvantage of 8 cents per barrel with bounty added. Now, I wonder where you think the producers are with reference to that question. You will be told by hon. gentlemen opposite, who, no doubt obtain any information they require from the Standard Oil Company, that the price paid the producers in Canada has been raised and lowered with the oil market of the United States for years. I wish to state, Mr. Speaker, that that is not the fact. Pennsylvania crude regulates the price paid in the United States. A little over three years ago Canadian crude oil was selling at $1.75 per barrel, and Pennsylvania at $1.68, a difference of 7 cents in favour of Canadian crude. On the 6th of June, 1904, Canadian oil sold at $2.09 per barrel. On the same date Pennsylvania sold at $1.62 per barrel, a difference in favour of Canadian crude of 47 cents per barrel. Why this difference? What brought it about? Simply the fact that about two years ago an independent refinery was started, and producers had two buyers in the market ever since. This independent refinery has always paid from 2 cents to 3 cents per barrel more for crude than the Standard, hence we do not want to see it wiped out. What else do you do for the producer? You restrict his market A number of producers, as I have mentioned, have been supplying gas companies, railroads and manufacturing companies with crude oil. That market is taken away. What else has been done to the producer? He is held up to the gaze of everybody as a bounty-fed industry? Can you conceive of anything that would damn an industry in the eyes of our people more quickly than to call it a bounty-fed industry? I imagine that I hear hon. gentlemen opposite, in about a year from now shouting on the hustings. Away with this bounty-fed industry; it has no right to live, blot it out. The price of crude is controlled by the Standard, the value of crude is jeopardized, the market restricted, the bounty cry will help to kill us, and worst of all, and more humiliating than anything else, we are entirely given over to the Standard Oil Company, body, brains, boots and everything else. They place whatever restrictions they see fit on our oil. New York dictates, and we must obey. Talk about Canada for Canadians. The government of this country believes in giving up Canada for the Americans, Canada for the monopolists, Canada for the trusts and combines, Canada for the foreigners.

I have been asked the question several times. What is the price paid? Perhaps hon. gentlemen opposite can tell something about that. Current gossip in the corridors says it is not less than $500,000, some say $1,000,000. You can depend upon it that when the Standard raises the price of oil one or two cents that amount will be collected from the people in a little over a year. Perhaps the Minister of Finance will explain why he made such a sweeping change when apparently no one outside the Standard Oil Company were asking for it. Not a deputation, so far as I can learn, has been to Ottawa asking for a change. It is only the Standard Oil Company that are asking for the tariff to be reduced. In face of the rising demand to assist other industries, and when the feeling of our people all over Canada is in favour of higher protection, you single out one industry and deal it a blow that will cripple it for many years to come, if not retard its growth for all time. I believe I am justified in demanding of the Minister of Finance on behalf of my people, an explanation why this action is taken. Would it not have been better for the Finance Minister to wipe out this industry instead of encouraging capital to invest in it and then kill it by inches? If you do blot out our business you drive thousands of the best of our people to foreign lands to assist in the development of their oil fields. Thousands of our people know no other business, and they will be obliged to seek other fields where they can find a like business. Mr. Speaker, our people are spending for the development of this industry hundreds of thousands of dollars every year, while, with a stroke of the pen, their lives, financially speaking, may be blotted out. What assurance have our people to-day that their industries will live and be protected for the next thirty days?

If there ever was an industry, that needed a definite tariff policy, it is the oil industry. Let us look for a few moments at the independent refiner.

About two years ago a number of producers and retail men, being dissatisfied with the treatment they were receiving at the hands of the Standard Oil Company, built a refinery, in Petrolea. They have added to it, until they have a plant that cost them $250,000. Within the past few months they have enlarged the company, until they have among its stockholders, some 300 of the brightest and best men in Canada. They have purchased distributing stations in the

principal cities and towns in our Dominion, and are fighting the Standard all along the line. They had a deputation here a few days before the 7th, to wait on the Finance Minister begging of him to leave the duty alone. What did the Finance Minister mean when he said on page 4508 of 'Hansard:'

But there are two interests to be considered in the oil industry—the interests of the oil producer and the interest of the oil refiner.

I wonder if the hon. Minister of Finance had more than one refinery in his mind at that time. He must have known that there are only two refineries in this country and that one of these, the Standard Oil Company have been here begging and pleading to him to reduce the duty while the other company have been here begging and pleading to him to keep the duty on. He seems to have acceded to the wishes of the Standard Oil Company in that respect.

The Canadian capitalists can go. They can look for places to invest their money elsewhere. Did he think of the independent refiner then? No, the Standard was on top and the poor Canadian refiner must suffer. There is only one independent refinery in Canada, and they came begging to the government, not to allow crude oil into our country at a reduction.

I wonder what these men think to-day. I wonder how they will like to take their orders from New York.

Up to the 7th of this month they were a free and independent company, bought crude oil in the open market, and owing to good business management were able to compete with the Standard Trust.

What is their position to-day? Do you expect them to build pipe lines to Toledo, build boats to bring the oil to Sarnia, build a pipe line from Sarnia to Petrolea, a distance of 17 miles, when they find that they have the Standard to fight in the American market for crude, and the Canadian market for refined, and by-products?

No, there is not a man in this House would put a dollar into a venture of that kind.

Since coming into business, they have paid the producer from 2 to 3 cents per barrel more for their crude oil, than did the Standard.

Will the producer want to see them wiped out? No, most emphatically, no.

You cannot expect any company with a working capital of a few hundred thousand dollars, to compete with another company with a few hundred millions, and especially when the larger company has the advantage, at every turn, and more especially with the Standard Oil Company with a reputation that is among the blackest on the pages of history.

The most profitable end of the refining is the by-products, and as every barrel of crude brought into our country, brings with it, all the by-products, the Standard will naturally have absolute control of that end to the detriment of the independent refiner. Consequently the independent refiner, wherever he may be situated, in our country, is without a shadow of a doubt under the control of the Standard Oil Trust.

The Standard control the price of crude, and the price of refined in the United States. On the 7th of this month they were given absolute control of the crude and refined market in Canada, and having that, they control the price of all the by-products, and last but not the least they control the price the consumer will pay.

I have tried to prove to you that the producer and the independent refiner are in the hands of the Standard Trust. Now a few words with reference to the position of the consumer.

With the Standard Oil Company having full control over the price of crude, and the price of refined, and the by-products, where else can the consumer be but receive his price dictated from New York? Does the farmer and workingman expect to get his oil cheaper? Time alone will tell that. It may be said cheaper to-day. He will eventually land where he has before when alleged attempts were made to help him by this government.

The history of the Standard Oil has been written several times, and any of you who wish to read, will learn, that the Standard have bought railroads, pipe lines, refineries, men councils, representatives in parliament, and dare I say governments?

We will admit that the crude oil will come into this country, be manufactured and the by-products sold here. Let us see what that will do.

Take the Finance Minister's figures; he says the consumption of refined oil in Canada is 25,755,450 gallons.

He says the saving to the people of 2½ cents per gallon on that quantity will amount to $643,886.

If the refined oil is all manufactured in Canada, as the Finance Minister states will be done, then there will not be any duty to collect, and instead of a saving it will be a loss.

Let us look at the true state of affairs. The government collected in duties on oil and its by-products in 1903, $885,945.44.

Now the crude coming in free brings with it the by-products, and the qualities that make refined oil. No refined is imported. Consequently the loss to the country in revenue is $885,945.44.

Add to that the bounty as estimated by the Finance Minister, $225,789, and we find a total loss of $1,111,734.44 to the revenue of this country and nothing gained.

This amount will be taken from the people in some other way by the government, but then the Standard Oil Company require it to help pay the 700 per cent dividend, to the New York stockholders.

The petroleum industry has done a great

deal towards increasing the revenue of this country.

Hundreds of thousands of dollars worth of pump tubing, gas pipe, lead pipe, casing-boiler plate, wire rope, iron and steel, and well supplies of different kinds, are imported each year on which duty is collected and these goods are used in the oil development, or if they were made in Canada would afford employment to Canadian workmen.

It is estimated that 1,000 cars of soft coal come into Petrolea alone, each year, practically all of which are used in the producing and manufacture of oil.

The Standard brings soft coal in at Sarnia by the boat load.

Why did not the Finance Minister take the duty off soft coal ? I am sure that he could do nothing that could please the people of Ontario better. Why not take it off for mining purposes, if nothing else.

Tens of thousands of dollars are collected from the oil men each year as duty on the articles mentioned.

Would it not be following out the policy of hon. gentlemen opposite, to have the coal and the articles we cannot purchase in Canada, such as casing, tubing of different kinds, wire rope, and many other articles, that we are compelled to buy and pay duty on, placed on the free list.

I want it to be distinctly understood that I am not in favour of a free trade policy. I am not a free trader. I do not believe in free trade as it is in England like hon. gentlemen opposite, or in reciprocity, or in annexation with the United States.

One of the Standard Oil Company arguments and one which will be used no doubt by hon. gentlemen opposite, is that the oil fields of Canada, are exhausted, and they have tested them and no new fields can be found. That statement was made by them months ago. Since that time the Leamington field has made great developments, and an entirely new field within ten miles of their refinery is being developed.

The fields being developed to-day, are as follows : The Petrolea field, Oil Springs, Bothwell, Dutton, Leamington, Pelee Island, Euphemia, Thamesville and Chatham. These are all producing fields.

Then there is large development work going on in New Brunswick, and the Northwest Territories, besides drilling rigs scattered throughout different parts of our country.

Remember that 12,000 people at least are directly interested in our industry, and every farmer in Essex, Kent, Lambton, Elgin and Middlesex would like to have his farm tested for oil.

Remember the oil business is a matter of labour, from beginning to end. Pumping rigs, drilling tools, boiler works, machine shops, refineries, well supplies of all kinds ; the handling of the oil, every move you make requires the labouring man, who with the farmer is the bone and sinue of this country.

No credit has apparently been given the oil business, for developing the gas fields of this country, and furnishing towns and villages with fuel and light. At Leamington the other day a well was struck that poured out as reported, gas at the rate of six million cubic feet per day. I wonder that more companies are not formed in different parts of our country to develop for oil or gas. The natural gas and petroleum report for 1891 gives a number of places outside of the developed fields where oil has been found. It tells of oil being found near Collingwood, also in Wentworth county, in Barton township, in Oxford county, at Norwich, Ontario in Bruce and in the city of Ottawa. Who can tell but that gentlemen opposite while legislating here to injure the oil producers of this country are not sitting on top of rivers of oil. These are all outside of the tested oil fields, and if logs could be obtained of the dozens of wells drilled, much more interesting reports could be obtained. This report is thirteen years old. It looks like as if it had been kept in the cellar. Look at the oil development in the United States exporting $70,000,000 worth representing 1,070,000,000 gallons more than the home consumption. The total amount exported from Russia in American gallons, more than she consumed in 1902, was 422,488,925 gallons. I might tell you of Galicia, Austria-Hungary, Roumania, Germany, Itlay, Great Britain, New South Wales, New Zealand, Algeria, Persia, Dutch East Indies, Sumatia, Borneo, Java, Phillipine Islands, Hawaii, Korea, all of these countries produce petroleum many of them in very large quantities and here we are with a country big enough to bury half of them, and we are told by the Standard Oil Company that our oil fields are exhausted.

War if constantly pursued by a nation is sure to destroy its trade and commerce, and very soon will bring it to bankruptcy, so with the oil industry. Constant tinkering with the tariff ; members of parliament for ever howling on the platform condemning it ; the press in many instances only too glad to get a slap at it ; a government with an unsetttled policy ; all this is enough to drive any industry to the wall, and discourage capital. Give the oil business a settled tariff ; give us a full report of our labours ; give us the encouragement of the press ; give us the support of the members of parliament for ten years, and I feel confident that we will not only supply our home market, but that Uncle Sam will have to raise his duty higher to keep us out. Not only that but we will bring millions of dollars into this country from foreign lands. On the other hand let the government, the press, and the people of this country keep on discouraging our industry, and it is bound to diminish our chances of success. I have great faith in the industry, but I have no faith in the hon. gentlemen opposite.

I imagine I see them on the hustings holding forth to their electors, with arms outstretched, and their voices at the highest pitch, telling the electors the wonders they have accomplished, in reducing the duty on refined oil, and placing crude oil on the free list. But then, Mr. Speaker, all the gentlemen opposite will not take that course, it would be quite out of keeping with the policy of the government of this country, if they were to follow one set of rules for the whole of Canada. They are a kind of go as you please party, with a policy for every riding. I can imagine I see the member for Brantford (Mr. Heyd) telling his constituents that they are all right, but what does his constituents say—I quote from the Toronto 'World' of April 13, 1904:

'AGAINST REDUCTION IN DUTY.

Brantford Board of Trade suspicious of Standard Oil.

Brantford, April 12.—(Special.)—A strong resolution protesting against the reduction of the duty on crude oil from the United States was carried by the Board of Trade here tonight. A. K. Bunnell, city treasurer, in introducing the motion, stated that the movement for the duty reduction was being instituted by the Standard Oil Company under the pretext of making oil cheaper for Canadian consumers and incidentally giving employment to more men in their factory at Sarnia.

Mr. Bunnell further pointed out that the history of the company did not indicate that it would be advisable for them to enter the Canadian field more than at present. They would, he said, retard the future development of the Canadian oil fields and eventually increase the price of oil for the consumer.

A copy of the resolution will be forwarded to C. B. Heyd, M.P.

Then the member for West Lambton (Mr. T. G. Johnston) who assures you, that he has smooth sailing, and is perfectly satisfied with the result, had better listen to this little matter that happened in his own town. I quote from the Toronto 'Telegram' the following:

LOWER DUTY ON OIL.

Sarnia Trades Council will not declare itself on the question.

Sarnia, March 15—With Mayor Cook and President Gedes, of the Board of Trade, and eight other representative citizens, President George Lambert, of the Sarnia Trades and Labour Council, was recently numbered on a committee to petition for reduction of the import duty on crude oil, as desired by the Standard refining interests here. Lambert was not present at the public meeting which appointed the committee and has been unwilling to take an active part in the appointed work until he received the advice of his trade body, at the same time declining to sign the petition on behalf of the 800 men who constitute the council. It is now given out authoritatively that the Trades Council withhold any say in the matter of the duty reduction—neither supporting nor opposing it, and leaving their president to act as he sees fit individually. The labour men do not go into particulars in reporting their action to the public, but explain that inasmuch as the settlement of the question will affect every union organization in Canada as well as the Standard Oil Company, the wishes of the Trades Council at Sarnia—the Standard's Canadian headquarters—are better left unexpressed, however honest they might be.

The deputation will proceed to Ottawa as soon as Dr. Johnston, M.P., for West Lambton, intimates the time that the ministry is willing to go over the oil question.

I might also call the attention of the hon. gentleman from Brant to the 'Courier' of the 4th of March.

Mr. COWAN. A very strong Conservative paper.

Mr. ARMSTRONG. What about the Galt 'Reporter'?

Mr. COWAN. I don't know.

Mr. ARMSTRONG. Suffice it to say that all these newspapers condemn in the strongest terms any action being taken by the government in the direction indicated. The poor man's vote counts for as much as the vote of the manager of the Standard Oil Company, and these 800 men will see through the deal, aimed at ruining their Canadian co-workers in Petrolea, and elsewhere, and will resent the action of the member for West Lambton. But what about the hundreds of farmers in his townships, with oil wells on their farms? I feel confident that when the farmers of those townships realize the position they have been placed in by this government, they will resent it, and resent it most emphatically. It will take more than standard talk and standard money to obtain their votes. How will they like to be bounty fed, when their market is practically wiped out by the Standard Oil Company? How about the hon. member for South Essex (Mr. Cowan)? In what way will he vote?

Mr. COWAN. I have no complaint.

Mr. ARMSTRONG. What will he say to the farmers in the new oil field which is to be of great value to our industry? The Finance Minister could have read him petitions from that direction that would be instructive, asking the business to be left alone. Here is what the 'Wheatley Journal,' has to say:

Mr. J. Woodward, the well known oil expert and drilling contractor of Oil Springs, Ont., has been visiting the Wheatley and Leamington oil fields during the past few days and has pronounced the outlook one of the best for the largest producing oil fields in the Dominion. Mr. Woodward states that the depth of the wells, being four times that of wells in other Canadian fields, indicates long life to wells. The rock is all limestone, except the surface, with a light gravity of oil and plenty of gas, which is a feature of the

best producing American fields. Mr. Woodward is a man of twenty-six years experience in the oil business in all its branches, and in his judgment thinks that we have the largest oil fields in western Ontario, and from what he can learn, is of the opinion that if the tariff on crude oil is not removed during the present session of parliament it will not be asked for again for many a long year.

Mr. COWAN. That is Mr. Woodward's opinion. That is not the 'Wheatley's Journal's' opinion.

Mr. ARMSTRONG. Well, we will have to try and get something else to satisfy the hon. gentleman. Here is something :

Leamington, Ont., March 30.—Another oil gusher was struck here on Saturday when the Leamington Oil Company shot its No. 3 well. Thirty quarts of nitro glycerine were used for the shooting, starting 600,000 cubic feet of natural gas.

Mr. COWAN. They say the gas is all played out up there.

Mr. ARMSTRONG. Perhaps you brought some of it down to Ottawa.

On the same evening oil started to flow and on the following afternoon 80 barrels had flown into the company's tanks. The natural gas escaping from the well at present is estimated to be about 600,000 cubic feet a day, and the company is negotiating to supply the town of Leamington with gas.

I can imagine, Mr. Speaker, that these gentlemen are not anxious to have the duty on crude oil reduced. What about the hon. member for Alberta (Mr. Oliver)? I believe he is out of the House at present. I might refer to what the Montreal 'Herald' of April 4, 1904, says :

Important oil strike.—Advices have been received in the Canadian Pacific Railway offices of an important oil strike in the Swift Current district, near Cranston, Alberta. It has been known for some time that oil existed there, but the first big strike was reported on March 22. The latest report is that a well has been sunk and an output of fifteen barrels a day is being secured.

I might also refer you to the Winnipeg 'Telegram' with reference to that field. It starts off thus in big letters :

Largest oil fields in America. Such will prove the Alberta petroleum districts. Former Winnipegger tells of richness of western fields.

I will not take time to read this, Mr. Speaker, but will hurry on. How will the hon. member for Haldimand (Mr. A. T. Thompson) vote ? Let us see what comes from Dunnville :

There is considerable excitement here over the discovery of oil while a local company was drilling for natural gas, which abounds in this district. They struck a vein of crude oil at a depth of 800 feet on the farm of Joseph Boose, six miles from here. In six hours the flow produced a barrel of a fine grade of amber crude oil, which would be equivalent to four barrels a day.

I can imagine that the hon. member for Haldimand will be voting with the government on this occasion. I might also refer to the New Brunswick field, in which the hon. Minister of Railways and Canals (Mr. Emmerson) who is also absent from the House, is directly interested. I cannot believe that he will approve of this great injury being done to the oil industry of this country. I might continue, Mr. Speaker, but will only refer to one or two other members. One, the hon. member for London (Mr. Hyman) the only man in this country who claims to know the needs of the oil industry. I wonder if he is interested in this company. You would naturally expect a man that knows all about an industry to have some practical interest in that industry. I wonder if these men will approve of his action. The London 'Free Press' says :

A London syndicate with a capital of $5,000 have leased for gas or oil purposes several farms south of St. Mary's, and will begin operations of boring for gas or oil at once.

I might also refer to the hon. member for West Huron (Mr. Holmes), who quotes from papers, and tries to get satisfaction out of them. He referred to Mr. Fairbanks, whom hon. gentlemen opposite will probably refer to frequently. All I can say is that Mr. Fairbanks is a perfect gentleman in every way, an ex-Reform member of this House and is a crude oil producer. He sold to the Standard Oil Company the first refinery that they purchased in this country. He was one of the strongest advocates of the reduction of the duty to two cents per gallon, and has assisted the Standard Oil Company in every possible way. The hon. gentleman also refers to telegrams of congratulations which have been received, from Standard supporters no doubt. The hon. member would like to see a greater spirit of national independence—these are the words he used. Is he likely to obtain this through driving our industries out of existence ? Not one member opposite has given more than a passing remark with reference to the oil question. Most of them frankly admit that they do not know much about it ; but when it comes to voting on the tariff, you will find them coming into their place, and when the First Minister cracks the whip they will all bob up serenely.

But then the ordinary Reformer looks upon the tariff as a measure to be treated in any way that may be to the advantage of the person discussing it.

I must mention an argument that I have heard advanced by an hon. member opposite. He came rushing to me as though he had found something, and said: Armstrong, I have a solution of the whole problem. Your people are all right. I said : How is

that? The reply was: Why, formerly refined fixed the price of crude. Now crude fixes the price of refined. That was some days ago, and I haven't found the point yet. I imagine that remark must have had its origin with the man that knows all about the business.

Hon. gentlemen opposite don't seem to have the same fear of the Standard Oil Company as had Judge Lister, the late M.P. for West Lambton, who on June 20th, 1887, made these statements on the floor of the House:

I deny the statement of the hon. member for Northumberland (Mr. Mitchell) that the foreign oil is better than the oil manufactured here. I say that the oil manufactured here is equal to any petroleum oil manufactured in the world. I frankly admit that in the past the oil was inferior, but the difficulties which the refiners encountered have been overcome, and we are manufacturing to-day as fine a burning oil as can be produced in the world. In regard to the question of protection, every one understands the ground which I take upon that, and the ground which the party with which I am associated takes; but I say that, if the protection to native industries is the policy of the government, it would be unfair to this immense and growing interest to do anything to cripple it at the present moment. We know perfectly well, as far as the United States are concerned, that the whole oil interest of the United States is practically controlled by the Standard Oil Company, and we know that they have been bringing oil into this country to sell at a less price than the cost of producing it, in order to get the control of this market. It would be against the interest of this large industry to do what my hon. friend suggests.

Mr. MITCHELL. Is not 100 per cent enough?

Mr. LISTER. 100 per cent? The moment you strangle that industry you will get the price put up at once. The people of Canada are to-day getting their oil much cheaper than they ever did before. If my hon. friend from the sea thinks he will be able to get it cheaper, perhaps he would for a time, but the moment the Standard Oil Company came here, he would have to pay a higher price; and to put the trade restrictions which my hon. friend proposes here would be to give them an advantage of at least 15 or 20 per cent more. So long as this is the policy of the government, that interest—the oil industry—ought to be protected and preserved against the United States as any other in the country. If free trade is to be the order of the day, that interest must go with the rest, unable to exist without a high rate of duty; but, if protection is to rule, that industry, which is a Canadian industry, a purely native one, an industry belonging peculiarly to Canada, should be looked after as well as any others.

Also at 1148 of 'Hansard' of the same year, he said:

So far as the manufacturers to-day are concerned, they are manufacturing an oil better than ever manufactured in Canada, and an oil equal in every respect in its burning qualities to that manufactured in the United States, and safer, so far as inflammable qualities are concerned, than any made in the States. The hon. gentleman has told us that there is a duty of 100 or 120 per cent. I say there is no such duty at all. The hon. gentleman will readily understand that the amount of the duty depends on the cost of the refined article. Sometimes it is 60 per cent, sometimes 50, sometimes 70; but, be that as it may, as far as this industry is concerned, under the previous administration this protection or duty, or whatever you may be pleased to call it, was put upon coal oil, and under that duty the industry has gone on and assumed the proportions it has attained to-day. And I may say to hon. gentleman that, in spite of the high protection which the hon. member for Northumberland (Mr. Mitchell) speaks about, the oil industry of Canada to-day is in a most depressed condition. Crude oil is worth less than 70 cents per barrel, and this is a lower price than has been reached, except on one occasion, in the whole history of the oil trade in this country, and refined oil is cheaper than it ever was before. I will not pretend to say that it is as cheap as it would be if there was no duty upon it at all. I do say, however, that, if you take off the duty, the Standard Refining Company have but one object and that is to secure the Canadian market, one way or the other, and destroy the oil interests of Canada, and, if they succeed in doing that, the people of Canada would have to pay a much greater price for their oil than they are paying to-day. This is a large industry in this country; it is an industry belonging exclusively to Canada, and if there is any industry which requires to be fostered in this country it is the oil industry.

Perhaps the Finance Minister thinks by bringing about this state of affairs he will raise a popular cry for his followers. They can say with extended chests: Look at what we have done—cut the tariff in two on coal oil, crude oil free, by-products reduced. Is there an election near? And the Grand Trunk Pacific not quite ripe enough to pick.

Or is the government in a tight corner on the Grand Trunk Pacific scheme and wish to attract attention in a different direction?

Canadians look at the refined oil selling for a lower price in the United States, but do not take into consideration that the Americans sell by wine measure, while we have to sell by imperial measure, which is $\frac{1}{5}$ more, for instance oil quoted on the other side at 12 cents per wine gallon, would cost at the same price 14½ cents per imperial gallon. Instead of the American paying part of the tariff to get their crude oil, and the by-products into Canada as they did before, the Canadians pay the bounty now and loose the revenue. The manufacturer in this country will naturally ask, whose head will next come under the Reform free trade axe.

The government claim that by reducing the duty on oil, it will reduce the price to the consumer. Let us see how this policy has worked out in the past seven years, under hon. gentlemen opposite. I find the following figures in the Trade and Navigation Returns:

In the year 1897, the amount of binder twine imported into this country for home consumption, amounted to 3,364,840 pounds, valued at $180,190, plus duty of 10 per cent, $22,198, making a total of $202,388, which makes the price to the importer, with customs duty added, six cents per pound. The government made a promise to the farmers that by abolishing the duty, it would reduce the price to the consumer. Let us see how that was carried out.

In 1903 there was entered for home consumption: Imported, 14,204,515 pounds, valued at $1,810,238, which makes the price to the importer at the port of entry 12½ cents per pound. You will observe that as the result of taking off the duty, the farmer has had to pay 6½ cents a pound for his binder twine, an increase of one hundred per cent and a loss to the farmers of this country of $823,273.47. Then what about the hundreds of workmen who might be employed in manufacturing that binder twine in this country? They are not taken into consideration by this government. And here our factories are shut down and our farmers are to-day in the hands of the binder twine trust of the United States, and paying twice as much for twine.

Let us look at barbed wire fencing imported for home consumption. In 1897 we imported 5,034,499 pounds, valued at $80,467, plus duty at 15 per cent, $12,506. Total, $92,973. This gives cost per pound of 1 8-10 cents to the importer. When barbed wire was duty free to the farmer, the government said: Surely you will get it at a great deal less price than before. Let us see how that works out. In 1903 we imported for home consumption 30,503,400 pounds. Just think of the number of men that would employ if manufactured in our own country. This amount was valued at $702,809, which, without duty, gives a valuation of 2 3-10 cents per pound, and proves to-day, that barbed wire fencing costs the farmers ½ a cent per pound more in 1903, without the duty, than it did in 1897, with a 15 per cent duty.

The loss to the farmers of our country is $152,517, and the increase in the cost of wire 28 per cent. We imported in 1897, 5,034,499 pounds, and in 1903 30,503,400 pounds. I wonder how many American workmen are engaged in the manufacture of these articles for us. It would be very interesting to have statistics to show the amount of money that has been paid out to workmen in the United States for the manufacture of these articles. This government reduced the duty on coal oil in 1897 and gave the Standard Oil Company the privilege of bringing in oil in tank ships: Result, an increased cost to the consumer of about 75 per cent. With the same flourish of trumpets, to catch the votes of consumers, they are making use of the same arguments with reference to the coal oil industry that they did with reference to the binder twine and barbed wire industry. Let us read, as a fitting climax of these arguments, what the hon. Minister of Finance has to say against trusts.

Mr. PATERSON. Will the hon. gentleman (Mr. Armstrong) allow me to ask him a question? If I understand him, he is arguing that by taking off the duty, the price of the article in our market was enhanced. Would the same effect be produced with regard to crude oil by putting it on the free list? Like causes, we are told, produce like effects.

Mr. ARMSTRONG. Restricting the manufacturer and the producer in this country and turning over these industries to the trusts, what can you expect but to have these articles increased in price? I was about to quote the Minister of Finance (Mr. Fielding) on the subject of trusts.

> It seems to be the inevitable result of high tariff policy that monopolies, trusts and combines will flourish. They may exist even in low tariff countries, but they could not possibly flourish under other conditions.

They have been able to flourish apparently under the low tariff policy of hon. gentlemen opposite. Think of the trusts and monopolies this government have created in the eight years they have been in power. The Standard Oil Company came into this country about the time this government assumed office. Perhaps the campaign fund was assisted then. Another election being not far off, further assistance is required and the people will continue to pay, pay, pay. Every man who votes for this resolution is a Standard man and will be so branded throughout the Dominion. As representatives of this great Canada, we are sent here to do justice to all without fear or favour. Then, do not give away our industry to a foreign trust, and compel the producer, the consumer, and the independent refiner to receive their instructions from New York. The jubilee was a grand thing for us Canadians. It brought us nearer to Great Britain and made us better subjects. The Boer war, though it is to be deplored, yet brought us closer to the mother country. Our brothers and sons shed their blood that we might receive the protection of this mighty empire. The British preference will cement us still closer. We are all glad that we are British subjects, glad that we are living under the British flag. The greatest pride we have is that we are Canadian British subjects. Then, let us protect our country, protect our people, protect our industries so as to let foreigners know that they are welcome to come in and assist in developing our resources and to help to build up our industries; but, if their object is to tear down and destroy for the sake of filling their coffers in foreign lands, then, we want none of them.

Hon. L. P. BRODEUR (Minister of Inland Revenue). I suppose the hon. member (Mr. Armstrong) who has just taken his seat does not expect me to go as fully as he has done into discussion of the oil question. Unfortunately, I am not as familiar as he is with that industry, and, if I undertake to discuss the question of the effect of the duties now, such action on my part might seem premature. In opening my remarks Mr. Speaker, I may say that it is with certain hesitation that I undertake to speak before this House in a language with which I am not very familiar. I know that when one speaks in a language that is not his mother tongue, he exposes himself to the danger of making very grave mistakes. And we find, Sir, in the political discussion of these latter days, that certain men and certain newspapers are not above taking advantage of mistakes of expression by those who are speaking in another language than their mother tongue, to cast upon them very serious reflection. Therefore, I say, I hesitate all the more in undertaking to speak in a language with which I am not very familiar. At the same time if, in the discussion of the questions which I shall touch upon to-day, I use some expressions improperly, I expect that there is fairness enough and sense of justice enough in this House to cause my mistakes to be overlooked.

My hon. friend (Mr. Armstrong) who has just taken his seat tried to convince this House that the government was pledged to support the Standard Oil trust in the change of duties that have been submitted by the Minister of Finance (Mr. Fielding). I may tell the hon. gentleman at once that the government in undertaking to reduce the duties on refined and crude oil, has not acted at the instance of the Standard Oil Trust, but, on the contrary, had in view in the revision of the tariff the sole benefit of the people of this country. I am sorry that the hon. member has thought fit to cast a slur upon the government in this connection. Had he known what this government has done against the Standard Oil Trust on past occasions, even within late years, I am sure he would not have said what he did on that point. Does the hon. gentleman forget that, some years ago, when the Standard Oil Company came to this country they made a combine agreement with the Grand Trunk and the Canadian Pacific railway, by which their oil should be transported from Sarnia to Montreal at a less price than the oil imported from the United States by way of Niagara Falls to Montreal. That question was brought before the government. Complaint was formally made of discrimination on the part of these two railway companies; and the government, after having investigated the question and given it full consideration decided to break down that combine agreement between the Standard Oil Company's side and the Grand Trunk and Canadian Pacific Company's. In that instance, the government certainly showed that they were faithful servants of the people. Other instances could be given of the same kind. Let one suffice. Some years ago there was in Montreal an independent company engaged in the oil trade—the Gall-Schneider Oil Company. When this government introduced its measure under which oil might be imported into this country in tank vessels, this Independent Company petitioned the government for the right to use a piece of land in Montreal fronting on the Lachine canal. And the government, seeing that the granting of this privilege would contribute to make this company absolutely independent of the Standard Oil Trust, came once more to the rescue of the people, once more decided the question against the Standard Oil Trust and leased the piece of land required, thus making it possible for the Independent Company to bring in oil in tank vessels as the Standard Oil Company were doing.

Here is another instance, and now, because this government thinks fit to reduce the duty on coal oil, not for the benefit of the Standard Oil Company but in order that we may be delivered from the shackles of the Standard Oil Trust, this government is charged with being the friends of that trust. I am sorry, Sir, that the hon. member who has just taken his seat (Mr. Armstrong) has chosen to discuss this question in that light. In reference to the coal oil duty he seems to be able to see only two companies, the Canadian or Independent Refining Company, and the Standard Oil Company. The government is not acting in favour of either one of these companies, the government is acting solely with the interest of the people of this country in view. My hon. friend speaks of the Independent Refinery as not receiving from this government sufficient protection. The majority of the shares of this company are not owned by Canadians, they are mostly in the hands of Americans, and will my hon. friend tell me how much watered stock that independent company, which has in the last few years raised the price of oil in combination with the Standard, after having increased the price as they have done—will he tell me how much watered stock they have issued during these three years? If I am correctly informed, and I know something about it, this company was formed three years ago. The next year after it was formed it paid a large dividend, in the second year it issued 40 per cent of watered stock; and I am informed that not long ago it issued more stock, or those who had stock in that company took some stock in another company, at 100 per cent of what the stock cost those people. Now we see how independent these people are, and how they are working for the interests of our own citizens. We were

in the hands of these two companies and the government thought to reduce the duty on coal oil in order to give our own people more protection and cheaper oil. The hon. gentleman says there was an understanding between the Standard Oil Company and this government because the very next day after the Minister of Finance delivered his budget speech, there was a reduction on coal oil. I see by the papers that not only did the Standard Oil Company reduce their price, but the Gall-Schneider Company which is affiliated with that Independent Company has also reduced its price by the same amount as the one by which the duty was reduced. Mr. Speaker, I assert that this step of the government has been taken exclusively for the benefit of our own people, and has already inured to their benefit. I do not wish to discuss at greater length the coal oil question which has been discussed by my hon. friend from Lambton.

If you will permit me I will refer briefly to some of the subjects discussed last night by the hon. member for Lennox (Mr. Wilson). In that speech the hon. gentleman spoke of the preference, and condemned in strong terms this government for having given a preference to Great Britain. I was much surprised to hear the hon. member for Lennox make that statement. Sir, in 1897 this government thought it would be in the interest of this country to give a preference to Great Britain, and we already witness the good effects of that policy in the fact that our trade with Great Britain has increased enormously. The policy of giving a preference to the English manufacturer in our market has induced the British consumer to buy more largely of our products.

Now, Sir, we are charged by some hon. members opposite with having reduced the British preference. The statement is absolutely incorrect, and I will prove it. If the hon. gentleman will look at all the facts he will see that so far from having reduced the preference, on the whole we have increased it. Take the woollen industry. On woollens there was a preference of 33⅓, but by the change in our tariff that preference is reduced to 14·28. On cordage the preference is reduced to 20 per cent. In these two instances only have we reduced the preference to a certain extent. But at the same time we have increased the preference on certain other classes of goods which are sent to this country, a reduction which will operate both for the benefit of Great Britain and for the benefit of Canada. Take chinaware, in which we have increased the preference to 50 per cent. On window glass we have increased it to 62·50 per cent; so that if we have reduced the preference on the two items I have mentioned, we have increased it on two other items. Taking the four items together, we find that the average preference amounts to 46·79 per cent, or 13·46 per cent more than we had before.

In face of this fact how can hon. gentlemen assert that the government has reduced the preference?

Now, Mr. Speaker, the hon. member for Lennox went on to say that we had increased taxation, because, as he says, the revenues have been larger. Well, Sir, it is possible to have a larger revenue without at the same time increasing the taxes levied upon the people. How is that to be done? Under a very high tariff with absolutely no imports, the revenues will be much less, because, instead of the articles being imported they are manufactured here; and though the people pay more taxes, the money goes into the pockets of the manufacturers instead of into the public chest. But it is also possible to have larger revenues at the same time that you reduce the taxes levied upon the people. Let me prove that by this statement. In 1890 the average rate of duty levied upon imports our total imports was 21·21 per cent. The average rate of duty from 1896 to 1903, both inclusive, was as follows:

	Per cent.
In 1896..	18·28
In 1897..	17·87
In 1898..	16·95
In 1899..	16·70
In 1900..	15·98
In 1901..	16·06
In 1902..	15.99
In 1903..	15·87

So, Mr. Speaker, instead of having increased the taxes of the people we have virtually decreased them as I have just proven. We have been charged also by the hon. member for Lennox (Mr. Wilson) with having largely increased our expenditure. It has been shown by my right hon. friend the Minister of Trade and Commerce (Sir Richard Cartwright) how this increase of expenditure has been brought about. But, I may say that we have virtually not increased the expenditure in some respects because we are now charging less to the country for the collection of the revenues that go into the public chest than was charged under the administration of hon. gentlemen opposite. I think this is a fair criterion as to whether the government has been economical or lavish in its expenditure. I find by the reports, that in the Department of Customs in 1895-6, the last year of the Conservative regime, for every $100 that the Minister of Customs was receiving the country was expending $4.43 to collect that money. Now, as a result of the devotion to the public interest of a man like my hon. friend the minister of Customs (Mr. Paterson) we find, that, instead of expending $4.43 to collect $100, we are simply spending $3.31 to collect $100 or a reduction of $1.12 per $100. I will not claim the same credit for myself but I will claim the same credit for the department which I have the honour to administer. In 1895-6, the last year of the Conservative

regime, for every $100 collected it cost the Inland Revenue Department $5. Now, we see that in the year 1902-3, instead of it costing $5 for each $100 collected, it only cost $3.50 and I expect that this year we will have a better showing still than that.

Mr. CLANCY. Has the hon. gentleman a less number now engaged and paid than in 1896 in connection with the Inland Revenue Department ?

Mr. BRODEUR. I do not know whether my hon. friend has understood exactly the point that I have made.

Mr. CLANCY. Quite.

Mr. BRODEUR. All that I wanted to prove was that when the hon. gentleman's friends were in power—I know he is not responsible for it because he was not then in this House—it took $5 to collect $100 while during the year 1903 it only took $3.50 to collect the same $100.

Mr. CLANCY. That is not the question I asked.

Mr. BRODEUR. Whether we have a larger number of employees or whether we are spending a larger sum that shows all the same that we are very much more economical than his friends were.

Mr. CLANCY. Not a bit of it.

Mr. BRODEUR. I think that cannot be disputed. I am sorry that a man of the intelligence and brilliancy of my hon. friend from Bothwell should dispute such a fact as that. If to collect $100 it costs to-day $3.50 and if some years ago it cost $5 to collect the same amount of money it seems to me a very simple proposition that this government is more economical than the other government was.

Now, the hon. member for Lennox stated that we had increased the debt considerably. It has been shown several times already that on account of the large surpluses we have had in the last few years instead of increasing the debt it has virtually been decreased. But, the best way to ascertain whether the debt has increased or decreased is to take the debt per head. I suppose my hon. friend from Bothwell will not deny that the debt per head is very much less to-day than it was in 1895 and 1896.

Mr. CLANCY. The debt per head is, as the hon. minister has stated, less for two reasons. One is that the population has increased and the other is that we have been able to renew our loans at a lower rate than formerly.

Mr. BRODEUR. Yes, but at the same time my hon. friend does not deny the fact that the debt has decreased. I am very glad to have that admission and it shows once more that I was perfectly right a few minutes ago in appealing to his intelligence and briliancy to endorse what I was saying.

Now, coming to the question of the tariff, I may say, that it has been charged against the administration of this government that we have an enormous balance of trade against us in our relations with the United States. It is true that apparently there is a balance of trade against us in our relations with the United States, but if we take the trouble to compare and examine the figures, we find that instead of having a balance of trade against us we have virtually a balance of trade in our favour. We imported last year for home consumption from the United States goods to the value of $128,790,237. We exported goods to the value of $71,209,969, leaving a balance apparently against us of $57,580,268. But we must admit that out of this $128,790,237, $60,000,000 worth represented goods which came into this country free and I suppose nobody would dispute the fact that these goods which come from the United States free are not imported for the benefit of the United States but are imported for the benefit of Canada. I will try to show by some figures how these importations were for the benefit of Canada. Take coal ; we imported more than $7,000,000 worth of coal. I suppose nobody will deny that it was for the benefit of this country. It is a well known fact that we have no hard coal in this country. We have to go to the United States and will anybody deny that it was for the benefit of this country that we imported that $7,000,000 worth of coal ? The following table will show the goods we imported free of duty.

GOODS IMPORTED FREE OF DUTY.

Goods.	Value.
Corn	$ 3,250,329
Coal	7,835,936
Cordage	2,054,494
Cotton	6,532,939
Drugs	2,397,801
Furs	1,207,123
India rubber	1,816,682
Metals and minerals	10,526,740
Seeds and roots	1,345,629
Settlers' effects	5,289,883
Tobacco	2,241,297
Wood	5,023,038
Wool	351,509
Sundries	10,380,514
Total value	$60,251,914

I suppose that my hon. friend from Toronto (Mr. Brock) will not deny that the importation of wool free of duty is to the benefit of the country. We have, therefore, imported free of duty goods to the value of $60,251,914, and deducting this from the total imports of $128,790,237, instead of having a balance of trade against us we have virtually a balance in our favour of $2,671,646. Let me put that in this way : The balance

of trade is apparently against us. We imported for home consumption last year $128,790,237. We exported $71,209,969, leaving a balance of $57,580,268. Of this $128,790,237 on exports $60,251,914 are on goods which came in here free. In deducting this last sum from the above sum we reach a balance of $68,538,323, imports upon which duties are levied. Our exports being as above quoted, $71,209,969, our dutiable exports being $68,538,323, we have virtually a balance in our favour of $2,671,646.

It would certainly not be fair in establishing the balance of trade between Canada and the United States to 'mettre en ligne de compte' raw material required for our markets or imports for the benefit of our farmers and producers.

Day after day the Conservative newspapers are calling upon us to adopt the same tariff against American goods as the Americans have against our goods. It has been stated time and again, both in this House and outside, and especially in the province of Quebec during these last two years, that it would be a great benefit to the farmers of Canada if we put the same duty on agricultural products coming from the United States as the United States duty on our products. I am here to assert, Mr. Speaker, that if we increase our customs duties on United States agricultural products, instead of it benefiting our farmers, it would expose them to retaliation which might prevent them from exporting any of their products to the United States. Take, for example, the commodity of hay. We imported from the United States last year hay to the value of $126,645. That seems to be quite a large amount, and the Conservative newspapers of Montreal frequently quote it, and say to the farmers: 'Look how you are treated, you produce large quantities of hay in your own fields, but at the same time the government allows this enormous quantity to come in from the United States.' Well, Mr. Speaker, when you look at the other side of the question it is not so alarming. The Conservative newspapers, while they give the figures for our imports of hay from the United States, always neglect to state that we exported last year to the United States hay to the value of $3,596,557. That is not such a bad showing after all, then we can set off this $126,000 worth of hay imported against the $3,500,000 worth that we exported. But there is also another side to the story which must not be lost sight of. I find that out of this $126,645 worth of hay imported to Canada not less than $121,000 was imported into the Yukon and British Columbia, while a very trifling quantity indeed was imported into the eastern provinces. In view of this, the charge so frequently made by the member for Jacques Cartier (Mr. Monk), that we are not sufficiently protecting our poor farmers on their production of hay, falls to the ground. I presume that the hon. gentleman (Mr. Monk) does not contend that we can compete in the Yukon or in British Columbia with the Americans in the hay trade.

Mr. MONK. Since my hon. friend appeals to me, I would like him to explain what protection he is giving to the farmer.

Mr. FITZPATRICK. We are giving him a good market.

Mr. MONK. I don't know about that.

Mr. BRODEUR. We are opening up new markets to our farmers for their agricultural products. That is what they require, and not high duties; and there is no reason to grieve over this paltry importation of hay from the United States.

Mr. MONK. What new markets has my hon. friend given to the farmers?

Mr. BRODEUR. We have opened up in England a very extensive market for hay. Some years ago Canada was not exporting any hay to the English market, but now, owing to the policy of this government and the friendly trade relations we have established with the mother country, we are sending large quantities of hay to England. I desire to put on record a few figures in order to show how fallacious is the charge made every day against the government, that they are neglectful of the interests of the farmers in not putting a higher duty on agricultural products. In the item of live animals we imported last year from the United States $1,507,196 worth, and our total exports of live animals amounted to $14,455,576 worth.

Mr. INGRAM. To the United States?

Mr. BRODEUR. No; the total export of live animals. Let me add that out of that $1,507,196 worth of live animals imported from the United States, there was imported into the Yukon, and British Columbia, and the Northwest Territories, and Manitoba, no less than $1,420,000 worth, there being imported into the eastern provinces only $87,000 worth. Now, in the item of barley we imported from the United States only $1,038, and we exported $457,333 worth. I presume that the one thousand dollars' worth of barley which we imported cannot affect in any way the trade of the farmers of this country in barley. Of oats, we imported last year $70,651 worth, and we exported $2,632,886 worth. Of pease, we imported last year $17,617 worth, and we exported $1,056,266 worth.

Mr. TAYLOR. I would like to ask my hon. friend if that was exported to the United States for home consumption? Have these been exported to the United States for home consumption, or did they merely go through the United States in bond?

Mr. BRODEUR. I am speaking not simply of the exports to the United States, but of the total exports, in order to show that our exports are so large that the paltry quantities of goods imported into this country cannot affect our farmers in any way. Of wheat we have imported $57,794 from the United States, and we have exported $29,088,781 ; and yet my hon. friend from Jacques Cartier says the poor farmers are very badly treated. Of beans we have imported from the United States $26,332, and we have exported $79,801. Our total imports of these grains have been $173,432. Out of this we have imported into the Northwest, Manitoba, British Columbia and the Yukon, $125,000 ; consequently we have imported into the eastern provinces only $48,000, while we have exported $33,315,067. Now, I will give the figures with regard to hay. We have imported $126,646. Of this, we have imported into the Northwest, British Columbia and the Yukon $121,665 ; so that our imports into the eastern provinces have been $4,981; and I may say for the benefit of my hon. friend from Jacques Carties that we have imported into the province of Quebec, to the great injury of our farmers, the large sum of $104.

Mr. MONK. As my hon. friend is referring to me, I would like to ask him if he is in favour of greater protection for the market-gardeners ?

Mr. BRODEUR. I think the market-gardeners are having as much protection as they want. They are pretty well satisfied with the tariff as it is to-day. If at certain seasons of the year, let us say from January to May, we import strawberries, I do not know how they can affect very much those who raise strawberries in the county of my hon. friend, because, if I am correctly informed, in that part of the season, they are not producing strawberries.

Mr. MONK. What about lettuce ?

Mr. BRODEUR. I suppose my hon. friend will not seriously contend that the lettuce produced by the farmers of this country is subjected to very serious competition from outside. I am sure he will not say that, and I see, from the way he made the interruption, that he did not speak very seriously.

Mr. MONK. I do, very seriously.

Mr. BRODEUR. I find that of apples we imported last year from the United States $79,830, and we exported $2,759,047. Of butter we imported $131,745, of which there was imported into the Northwest, British Columbia and the Yukon $116,000, and into the eastern provinces only $15,000, while against that we exported $6,958,906. Of cheese we imported from the United States $30,401, of which there was used in the west $17,400 and in the eastern provinces $13,000, while we exported $24,776,406. Of eggs our imports from the United States were $121,563, of which there was imported into the Northwest, British Columbia and the Yukon $120,000, leaving only $1,000 for the eastern provinces, while we exported $1,441,254. Now, the total provisions, including meats, which we imported from the United States were $1,774,896, of which there has been imported into the Northwest, British Columbia and the Yukon about $750,000, and into the eastern provinces about $1,250,000 while we have exported $50,569,442. These figures prove conclusively that the charge which has been made for some time in the press of the province of Quebec, that this government was not protecting the farmers of this country, but was permitting imports from the United States, is fallacious and cannot be sustained for one moment. And I may add that if to-day we see some of these agricultural products imported into the Yukon, whose fault is it ? It is the fault of hon. gentlemen opposite, who, when they had the opportunity of having railway connection with that country and giving the farmers of the east a chance to send their products there, objected to the construction of that railway. Consequently they are guilty of everything that has happened as a result of their action.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILL.

WEST CANADIAN COLLIERIES, LIMITED.

House again in Committee on Bill (No. 80) respecting the West Canadian Collieries, Limited.—Mr. Oliver.

Mr. HENDERSON. When this Bill was before the committee an evening or two ago, I understand a decided objection was taken to the last provision. Has that been removed, or is the Bill in the same position as that in which we left it ?

Hon. Mr. BRODEUR. I understand that my hon. friend the Minister of Justice would like to look into this Bill before it passes, so I think we had better rise and report progress and ask leave to sit again.

Progress reported.

WAYS AND MEANS—THE BUDGET.

House resumed adjourned debate on the proposed motion of Mr. Fielding :

That the Speaker do now leave the chair, for the House to go into committee to consider of the ways and means for raising the supply to

be granted to His Majesty, and the proposed motion of Mr. Borden (Halifax) in amendment thereto.

Hon. Mr. BRODEUR. When you left the Chair, Mr. Speaker, at six o'clock, I was trying to establish—and I think I succeeded in doing so—that the raising of the tariff on agricultural products coming from the States would not in any way benefit our farmers. I showed that our imports of agricultural products were much lower than our exports, and that therefore the prices of our agricultural products could not be in any way affected by the imports from the United States. I think I have shown also that the imports from the United States cannot in any way affect the agricultural products of the eastern provinces, because these imports are sent into the Yukon or British Columbia, and consequently the imposition of higher duties on them would not put our eastern farmers in any better position, because it would not enable them to export their products with any profit to those distant countries. I think I have clearly established that our country is to-day more prosperous than the great republic to the south of us. We have an abundance of wealth, our farmers, our labourers, our industrial men are in a prosperous condition. Is that the case to the south ? No, on the contrary, all the industrial classes there, are in a very depressed condition. I have in my hand a statement showing that for some months, instead of giving employment to the same number of labourers as formerly, a number of companies have been obliged to dismiss thousands of their employees and reduce the salaries of many others. Here, on the contrary, every one who wants to work can get something ; every one can earn money and live in comfort. But in the American republic the conditions are different. I see by the Montreal 'Gazette'—and I suppose no hon. gentleman opposite will question the authority of that newspaper—that according to the annual report published in April last of the New York State Board of Mediation and Arbitration, there were more strikes in the United States last year than ever before. The strikes in the building trade alone during the summer in New York State caused a loss in wages of $6,754,751. I find also in the Montreal 'Gazette' the following statement :

> Susquehanna, Pa., June 12.—The Erie Railway Company has discharged 10 per cent of its working force, or 108 men, from its shops in this place. Like discharges were made in all shops on the system. This is the second discharge of 10 per cent within 30 days. The company is reducing expenses in all directions.

There is another example of the crisis which exists in the United States. And I may ask my hon. friends opposite whether they can point to any similar example in this country to that which I quote from the Montreal 'Gazette.' On the contrary I find evidence in the newspapers of the same date that there is a growing demand for workmen in this country. For example 'L'Industriel,' of Shawinigan, publishes an advertisement asking for a hundred men at from $1.50 to $1.25 per day. So we find, on the same day a statement in a prominent Conservative newspaper in Quebec that, in the United States, the railways are discharging their employees, and advertisements in the trade papers of this country asking for employees. So, the demand, from our friends on the other side for a tariff similar to that of the United States is not a reasonable one. I have much faith in their good sense and in their devotion to the best interests of the country, but I suppose they must be convinced, as I am, that it would be useless for us to try to copy the Americans in our tariff policy. It is better for us to maintain a system in accordance with our own conditions, not with a view to copying the United States, but with a view to promoting the growth and development of Canada. I read, only the other day, that in Fall River, in one day in April last, 10,000 people were discharged from the factories in that city because there was no more work to give them. I find also a statement with regard to the condition of employment under the steel trust. The number of workmen employed under the trust last year was 350,000, whose salaries amounted to $225,000,000. Through discharge of men and reduction of wages, the payments of accounts of salaries have been reduced by $60,000,000 since last year. We find also that, on the Southern Railway they have reduced the number of men employed by 3,000 ; on the Gould system by 7,500 ; on the Harriman lines, 8,000 ; on the Western lines, 10,000 ; on the Vanderbilt lines, 12,000 ; on the Pennsylvania system, 13,000 ; on lines running into Chicago, 20,000 ; and on lines of minor importance, 2,000. These figures indicate that Canada to-day is in a very much more prosperous condition than the United States. So, I am sorry that our friends on the other side are trying to induce this country to accept a fiscal system that has been so detrimental to the interests of the country to the south of us.

Now I see that my hon. friend from Pictou (Mr. Bell) declared the other day that the policy of the government should be to reduce the duties on sugar and tobacco. These are his words which I quote from page 4527 of 'Hansard :'

> Why is it necessary that they should have surpluses to boast of—surpluses of from $14,000,000 to $16,000,000 ? They could get clear of a large portion by extending the reduction of duties from molasses to sugar. They could also make a reduction in the duty on tobacco, which would prove an immense boon to almost every man who contributes to taxation.

I have every reason to believe that the hon. member for Pictou (Mr. Bell) has the sympathy of those on his side in this and

so we must take this utterance of the hon. gentleman as a declaration of policy from the other side in favour of removing the duties on sugar and tobacco. I am sure hon. gentlemen have not given to this question the consideration that it deserves when they ask that duties which have done so much to build up the tobacco industry should be removed or decreased. When this government came into power in 1896, it is true, a movement had been begun among the tobacco growers in Quebec and Ontario in favour of an increase in the duty on tobacco. Several delegations came here and asked for this increase of duty as a protection to the tobacco growers. But the government of that day seemed to be much more inclined to protect other industries, and refused absolutely to protect the important industry of tobacco growing. I confess that when this government increased the duty on tobacco, we did not expect such favourable results as those we see to-day in the increase of the industry. And I am here to assert that, in spite of the increase of 10 cents on raw leaf, tobacco is selling to the consumers to-day at a lower price than before. I find by the reports of the department that in 1895-96 the number of tobacco factories of foreign leaf was 27, while only 10 were engaged in the manufacture of domestic leaf. At the end of last year the number of factories engaged on foreign leaf had fallen from 27 to 23, but on the other hand, the number of domestic and mixed tobacco had increased from 10 to 30. And that is the result in the number of pounds manufactured ?

In 1895-6, under the Conservative regime, we manufactured 9,609,184 pounds of foreign leaf tobacco, that is to say almost all the whole consumption was of foreign leaf tobacco. In fact we only manufactured and consumed in that year 474,205 pounds of Canadian tobacco. Now I am glad to inform our friends opposite that this policy has been so fruitful and has produced such good results that to-day, instead of consuming 9,000,000 pounds of foreign leaf tobacco, we manufactured last year 7,726,316 pounds ; and instead of consuming only 500,000 ponds of Canadian leaf, I am glad to announce to the House that last year we consumed nearly 5,000,000 pounds of Canadian leaf tobacco, or to be more exact, 4,921,181 pounds. So Canadian leaf has practically displaced foreign leaf, and that result, I claim, is entirely due to the progressive policy of this government.

Mr. MONK. I would like to ask the minister at this point if it is the intention of the government this year to reintroduce the law against contracts made by the American tobacco trust, which law was introduced last year and then dropped ?

Mr. BRODEUR. That has nothing to do with the subject under discussion, but I may tell my hon. friend that the question he has raised is now engaging my attention, and I expect that before long these exclusive contracts will entirely disappear. Well, at all events we claim that the policy of this government has displaced in this country the use of foreign leaf to the benefit of our farmers and Canadian manufacturers. While our hon. friends opposite were in power they were asked year after year to come to the rescue of the Canadian farmer ; year after year they were petitioned to give the farmers a little of that protection which they were willing to give so lavishly to other industries. They were willing to give protection to industries relying for their raw material on imports from the United States and other countries. Why did they not give some protection to those Canadian industries which relied on Canadian raw material ? Why did they compel those industries to rely on foreign raw material when we could have built up industries relying on Canadian raw material ?

Mr. HENDERSON. I would like to ask the minister a question. I notice among the tariff changes that the duty is increased on woollen goods that are made from imported materials and not increased on woollen goods that are made from Canadian wool. I would like to know how the minister can justify that distinction? He is arguing in one way and acting in another.

Mr. BRODEUR. I am dealing with the question of tobacco just now ; I will be glad later on to take up the question to which my hon. friend has drawn my attention. But I may say that the point he tries to make in no way invalidates my argument. I have proved that the policy of his friends when they were in power tended to refuse protection to Canadian farmers ; whereas we have to-day given protection to our Canadian farmers and have produced the results I have just pointed out. But that is not all. Not only have we come to the rescue of the Canadian farmer in that respect, but we have also done much for the Canadian consumer, as I will prove. I find by the figures which have been handed to me that the consumer pays to-day less for his tobacco than he was paying in former years, that the fishermen of Nova Scotia and New Brunswick are paying to-day less for their tobacco than they were paying before the change in the tariff. In 1895-6, the Canadian consumer was paying for the foreign plug chewing tobacco eighty-one cents a pound ; to-day he is paying for the same tobacco, a Canadian tobacco, just as good as that made from foreign leaf, if not better—he is paying to-day fifty-three cents a pound instead of eighty-one cents. For plug smoking tobacco he pays to-day fifty cents a pound whereas he was paying eighty cents under the regime of hon. gentlemen opposite. For cut smoking tobacco the Canadian consumer is paying to-day forty-six cents a pound, while under the

beneficial regime of hon. gentlemen opposite he was paying ninety-six cents or $1 for foreign leaf tobacco. So we find that in these three kinds of tobacco the consumer is paying to-day fifty, sixty and sometimes seventy per cent less than he was paying under the Conservative regime. Not only have we succeeded in replacing foreign tobacco by Canadian tobacco, but we are giving the consumer to-day a better tobacco and at a lesser price.

Mr. HENDERSON. May I ask the hon. minister if he smokes ?

Mr. BRODEUR. I do not smoke, but I do not think my hon. friend will dispute these figures. Will he undertake to dispute these figures ?

Mr. HENDERSON. Most assuredly.

Mr. BRODEUR. He cannot do it, because they are absolutely correct. Now, Mr. Speaker, I think I have shown that the policy of this government has been beneficial to the farmers, particularly during these latter years.

Mr. MONK. Before the hon. gentleman leaves that subject, I would like to ask him about the petition presented by the tobacco growers of the province of Quebec that the excise stamps should all be of the same colour, inasmuch as the green stamp does harm to the sale of the Canadian grown tobacco. What is going to be done about that petition ? Are we going to have stamps of a uniform colour ?

Mr. BRODEUR. My hon. friend's question would draw me far away from the subject I am now discussing, nevertheless I may tell him that this complaint about stamps existed when his own friends were in power, and they were never able to mature any plan to remedy the evil. But I may say that I am now considering seriously this question and am having reports made by my officers, and I hope that before long I will be able to do something which will satisfy the tobacco growers of Canada.

Now, Mr. Speaker, I do not wish to discuss much further the questions at issue in this debate. The issue between both parties is now well established. We have on one side persons asking for what I may call a trust tariff, and on the other side we have a government who desire to maintain a people's tariff. A trust tariff is against a people's tariff. Hon. gentlemen opposite want to establish trusts and combines in this country. We want, on the contrary, to have a tariff framed in the interest of the country, in the interest of the people, for the people alone and not for the trusts and combines. A tariff should be based not on theories but it should be framed with regard to practical exigencies and circumstances. That is the policy of this government in every instance, where we find that some legitimate industries are suffering, these industries will be sure to get relief from this government. We are not going to create combines or trusts but what we want is to give fair aid and protection to legitimate industries. That is the policy of the Canadian government and we are willing to stand by that policy. I may say the tariff changes which were brought down some days ago have given entire satisfaction to the people of this country. Our hon. friends opposite are a little bit disheartened as a result of these changes in the tariff. We are glad to see that these changes are meeting with the general approbation of the people. We are glad to see that men who at one time were not very friendly to this government are now willing to trust this government because of what we have done. We are satisfied with what we have done but our work is not finished and we will be glad to work to the end for the advantage of the people of this country.

Mr. A. E. KEMP (East Toronto). Mr. Speaker, the hon. Minister of Inland Revenue (Mr. Brodeur), it seems to me in the latter part of his speech took a different ground in regard to the tariff from that which he took in the earlier part of his remarks. If I understood him correctly he explained to the House how that paying an extra duty on tobacco had not been the means of raising the price of tobacco to the consumers but that on the other hand the price of tobacco had been reduced. If I understood his remarks in the earlier part of his speech correctly I understood him to say that if the government put on extra duty on articles generally according to what we propose on this side of the House, the money would go in the hands of the manufacturers and the prices of these articles would be enhanced. It may suit the hon. gentleman to make that argument in regard to tobacco but surely the rule in regard to other things must work the same as it does in regard to tobacco. The present government, as I understood, had not increased the duties on farm products to any greater extent than those duties were when they came into power but they have, I think, reduced the duties somewhat on wheat and flour. The hon. gentleman referred in his opening remarks to the observations made by my hon. friend from Lambton (Mr. Armstrong) in regard to the oil duties. I shall not detain the House by engaging in any lengthy discussion on that point because the ground has been so fully covered by my hon. friend from Lambton. However, there is one thing I would like to add and it is that it seems to me that the government have tremendous confidence in this great corporation known as the Standard Oil Company. If they realize their most sanguine expectations all right, but we know what the history of the Standard Oil Company is and while I do not want to have anything to say prejudical to any great corporation from my position in this House,

I wish to say that the Standard Oil Company's reputation for keeping agreements which they do not make in black and white is not the best in the United States and I would warn the government to be on their guard in regard to the promises which the Standard Oil Company have made them in connection with the reduction of the oil duty. The hon. Minister of Inland Revenue used what I might term an elementary argument in regard to the cost of collecting the revenue of this country. I noticed that he brought a blush to the face of the hon. the Minister of Customs (Mr. Paterson) when he referred to the tremendous economy which that hon. minister's department is displaying in collecting the revenues of this country. It seemed to me, I repeat, that this was a very elementary argument. It is the same argument that applies to most businesses where the output is increased and the running expenses on the percentage basis are less. If the revenue of this country jumped up a few millions of dollars it would take that much less on the percentage basis to collect it, the same as when a man's turnover in business runs up to a million dollars when it was only half a million before, his running expenses are so much less. I was a little surprised that the hon. gentleman would use such an argument in this House. He also referred to the decrease in the debt and I propose a little later on to take up that question. I will not deal with that just now. He also referred to the question of our balance of trade with the United States and he demonstrated by the figures which he produced to the House that in reality there was no balance of trade in favour of the United States. I could not follow his argument very closely but I think that the figures which I shall produce later on will show that he was in error in respect to that question also. Then he referred to the question of hay. He mentioned the fact that we are now exporting to Great Britain a considerable amount of hay and I understood him to say that it was because of our commercial policy with Great Britain which had been brought about by the present government and which was not in effect heretofore that this unexampled exportation of hay to Great Britain had been brought about. I fail to see how he works this out. I cannot see what these hon. gentlemen have done to make a commercial treaty with Great Britain, or to alter the conditions as they existed under the previous administration. If in return for the preference which they gave to Great Britain they had obtained a preference for our agricultural products I think his argument would have been well founded but as they did not succeed in getting any preference I cannot understand on what he bases that argument. It seems to me that the market gardeners' question was a rather delicate one for him and I take it for granted that in the magnificent and beautiful county of Rouville there are no market gardeners. I think if there had been the hon. gentleman would not have dealt with that question which my hon. friend from Jacques Cartier (Mr. Monk) raised in reference to the tariff. But Sir, the hon. gentleman spent a good deal of time in discussing the question of hay. We all know that in that part of the province of Quebec which the hon. gentleman has the honour of representing in this House there has been in the past and there is to-day produced from the farms a tremendous amount of hay and that several years ago and further back than that even the people in that part of the country sent their hay to the United States. The hon. gentleman, in discussing this matter, dealt with other agricultural products and he was trying to show that in regard to special articles of agriculture in regard to which we had a surplus production the balance of trade was not against this country and that hay was one of these articles. I am informed, and the hon. gentleman will correct me if the statements which I make are not absolutely right, that he, in years gone by, talked a good deal throughout the province of Quebec previous to and during election campaigns about what the members of the present administration, if they came into power, would do in regard to these agricultural products, not only in regard to hay, but in regard to eggs, grain, animals, and all those things which are the product of the farm and which were being exported to the United States.

When the Liberals were in opposition, they pledged themselves to make a treaty with the United States under which these articles would be admitted free of duty into that country and they held that by a mere stroke of the pen they could have accomplished this object. Well, the United States duty on hay was $2 a ton in these days, and when the Liberals came to power the Americans, to show there was no ill-feeling, raised that duty to $4 a ton. Notwithstanding all the coquetting of the Liberals with the authorities at Washington, the United States has raised up higher trade barriers against us, than ever before. The Minister of Inland Revenue told us that were it not for the Conservatives in the House of Commons and the Senate, the Yukon Railway would have been built, and we could now send Canadian products into the Yukon. I would like to have the minister elaborate this argument somewhat. I would like to have him explain in what way the conditions would be different and how we would be enabled through this railway had it been built to send Canadian hay to the Yukon. He would have to demonstrate that if we had a railway the freight rates would be less than they are at present, and

I think he would fail in that. We have bonding privileges over the narrow strip at Skagway, and the freight rates are to-day less than they could possibly have been over this railway, for while we had the treaty right to navigate up the Skeena river, we had no right to stop along the shore to get fuel for our steamers, and in this we would be handicapped, but more than that by the existing route we have the advantage of the long water haul to Skagway whilst by the route the hon. gentleman speaks of we would have had a more difficult route composed of part river, lake, rail, &c. We now have access to the Yukon over foreign territory, and the only way we could be interfered with would be by the United States abrogating the bonding privileges which exist there ; in their own interests I do not think they are likely to do that. The hon. gentleman seems to forget, that if there was a higher duty on some agricultural products, then the Yukon and contiguous territory might be supplied from the fertile region of Alberta and the agricultural districts of British Columbia. If that were so, we could compete with the American products which now find their way into that territory. Yesterday in discussing the question of protection, the Prime Minister was rather severe on the opposition, and he made statements which to my mind were not warranted by the facts. The policy of protection was adopted by this country in 1878. It was fathered by the Conservative party and so far as I know, the Conservative party has never changed its mind on that policy. It is no easy thing to administer a protective tariff in a country which previous to its adoption, had a policy of free trade, or a revenue tariff policy. The conditions in this country were peculiar at that time. We had only recently completed confederation ; the country was not so strong or so prosperous as it is to-day ; some of the provinces had come into confederation unwillingly it is said, and taking it all in all, the Conservative party had great difficulty in putting into force and carrying out the National Policy. Yesterday, the Prime Minister referred to the strikes and industrial commotion which have existed in the United States, and he said :

> In Canada you have hope abundant and contentment ; in the United States you have dejection and almost despair.

Well, I think the right hon. gentleman has exaggerated the conditions in the United States. I visit the United States quite frequently, and I have not noticed any such conditions as the Prime Minister has spoken of, nor has my reading led me to think that such is the case. The right hon. gentleman seems to be under the impression that the Conservative party of Canada seek to adopt the United States tariff. I may tell the right hon. gentleman, that I have never heard such a thing argued from this side of the House.

Mr. HENDERSON. Never.

Mr. KEMP. The desire of the Conservative party in this country is to adopt a tariff which will be in the interests of Canada, and of all sections of the Canadian people, without reference to the tariff of any other country. The right hon. gentleman also told us that since 1897, fifteen combines and trusts were organized in the United States, and that similar combines and trusts had been formed in Germany, both being protectionist countries. But, the right hon. gentleman altogether overlooked the fact, that in free trade England, a similar state of things exists as regards these trusts and combines. I wish to draw to his attention, an article by Mr. H. W. Macrosty on the ' Growth of monopoly, ' in the ' Contemporary Review ' for March, 1899, in which it is stated :

> It is often asserted in Canada that protection fosters combines and that a country enjoying free trade is exempt from the evils of monopolies and trusts. An article entitled, ' The Growth of Monopoly,' by H. W. Macrosty, in the ' Contemporary Review ' for March, 1899, told a very different story. At that time, according to Mr. Macrosty, single amalgamations, while not entirely excluding competition controlled the screw, cotton, thread, salt, alkali, and india-rubber tire industries in Great Britain. In many cases where an actual consolidation had not taken place there was an agreement to mantain prices. In Birmingham 500 employers and 20,000 workmen were working under agreements to maintain prices, which were fixed by committees after examining the conditions of manufacture. Mr. E. J. Smith, the author of the Birmingham scheme of trade combination, said in January, 1898 : ' It was first adopted seven years ago in the metallic bedstead trade, and has been so successful in that industry that the trade is to-day one of the most envied in the country. Since the firm of J. & P. Coates, of Paisley, after being formed into a limited liability company for the manufacture of sewing thread with a capital of £5,750,000, absorbed Kerr & Company, and Clarke & Company, of Paisley, Chadwick & Company, of Bolton, and Jones, Brook & Company, of Meltham, the capital being raised to £10,000,000, on which a dividend of 20 per cent is being paid.

I have here a list, besides those I have named, of no less than 81 large consolidations and trusts which exist in Great Britain at the present time, some of them having a capitalization of upwards of £12,000,000 sterling ; so that the fifteen trusts to which the Prime Minister referred as existing in the United States are not in it with the frightful conditions which exist in free trade Great Britain.

The Prime Minister referred to the United States as a country of dejection and almost despair. But, Sir, it was the Prime Minister as well as the Minister of Trade and Commerce and the Minister of

Finance who only a few years ago wished this country to adopt the policy which would bring it under the fiscal system of the United States, that country where according to the Prime Minister such dejection and despair exists at the present time. In order that the matter may be on record, and that we may not forget what the attitude of those hon. gentlemen was at that time, I will read a few extracts from the right hon. gentleman's speeches of a few years ago. In a speech delivered in this House in the year 1888, the right hon. gentleman said :

We, on this side of the House, believe that the motion of my hon. friend from South Oxford (Sir Richard Cartwright) exactly meets the case ; we believe that the solution of the problem is complete in unrestricted reciprocity with the great nation to the south of us.

He also said, in a speech at Oakville in the year 1888 :

We know that no great reform has been carried without struggles, without defeats. We are prepared for those struggles. When Sir Richard Cartwright proposed his resolution last session he knew that it would be defeated. He will renew it next session, and he knows it will be defeated then ; he will renew it the session after that, and he knows it will be defeated ; he will renew it again and again, but in the meantime there will be a general election, and we believe the result of that election will be a return of a majority, whether Conservatives or Reformers, pledged to support a treaty of unrestricted reciprocity between Canada and the United States. This is the policy which we have to place before the people. There are other issues, there are other questions, but every other question must take a back seat and leave the first place to unrestricted reciprocity. This is the cry. This is the reform which we press not only upon the people of Ontario, but especially upon the people of Halton, with the hope that the people of Halton will give no uncertain answer, but such an answer as will be a victory for the principles of the Liberal party.

Again, in Toronto in the year 1889, the right hon. gentleman used just as plain language. This is what he said :

But there is alongside of us a kindred nation economically situated as we are—the United States—and we claim that that commercial alliance which at this moment is not possible with England is possible with the United States, and the policy which we have advocated, which we still continue to advocate, is the removal of all commercial barriers between this country and the great kindred nation to the south of us.

I will just give one more extract, which is rather an amusing one. I have heard something about stealing clothes in connection with the fiscal policy of the country. The Prime Minister got so enthusiastic for unrestricted reciprocity and for doing away with the customs-houses in those days, that he actually thought the Conservative party wanted to steal the clothes of the Liberal party ; and here is what he said in Toronto in 1889 :

There are at this moment indications that the government of Sir John Macdonald are preparing, as the vulgar phrase goes, 'to dish the Liberals.' What, you will say, is the meaning of this ? Well, the literal signification of it is that Sir John, still audacious, intends to steal the clothes of the Liberal party, and is preparing at the next election to present himself in the habiliments so boldly stolen.

I have other extracts in the same direction ; but I merely read these to show what was the last defined policy on the trade question of the great Liberal party. Since that time no other policy has been defined by them either in this House or out of it. The policy of protection, as I have said, was decided many years ago. The Prime Minister said yesterday that he was a little skeptical about inaugurating a tariff which would be the means of bringing into existence new industries. He admitted that the industries already established perhaps required consideration ; but he was not enthusiastic about pursuing a policy which would be the means of bringing into existence new industries. The attitude of the Liberal party all along has been one of the greatest opposition to the policy of protection. We had frantic appeals to the people, who were told that they were being robbed and bled white ; we had the commercial union agitation ; and, we had the question of the secession of the maritime provinces. When we remember the attitude at that time of the present Finance Minister, who was a man of influence, and the campaign he carried on, we can realize what a difference there is to-day from the conditions which had to be dealt with by those who inaugurated the protective policy of this country in days gone by.

But, Sir, when these hon. gentlemen came into office they found a house ready built. The foundation was not only laid, but the whole structure was completed and the building furnished and provisioned, and all they had to do was to take possession and carry on the government without being agitated by any such important question as that of inaugurating a policy of protection. The right hon. the Prime Minister has boasted that his party are not imitators, that they have followed out their own ideas and made their own policy, and in this connection he referred to two things which they had originated. One was the preferential tariff and the other the German surtax. I need not discuss the question of the preferential tariff, because my hon. leader went into that very fully yesterday, and dealt with it in a masterly way. But the right hon. gentleman took credit for the German surtax as a policy which his government had originated. Well, what was the situation regarding this surtax ? It was introduced into this House in 1903, but in the year 1900, or the year before that, there was a great agitation in this country, through public bodies, regarding the way in which Germany was

treating us by shutting out our products. And in the session of 1901 the leader of the opposition introduced a resolution, a part of which had reference to the German surtax. In the speeches delivered on this resolution Germany was directly referred to, and there can be no doubt that the leader of the opposition was the originator of the policy of the German surtax. Let me read a part of the resolution dealing with this matter which was moved by the leader of the opposition in the session of 1901 :

This House is further of opinion that equivalent or adequate duties should be imposed by Canada upon the products and manufactures of countries not within the empire in all cases where such countries fail to admit Canadian products and manufactures upon fair terms, and that the government should take for this purpose all such available measures as may be found necessary.

Hon. gentlemen opposite, however, voted that down, and in voting it down they voted down the German surtax. And all through 1901 and 1902 appeals were continually being made to the government to do something in order to get even with Germany. I think, consequently, it is only due to the House that this information regarding the German surtax should be placed before it.

In budget debates there are two questions which seem always to come to the front. These are the question of expenditure and the question of the tariff. I should like for a moment or two to deal with the question of expenditure, and I would like to discuss the statement which the Finance Minister made to this House regarding surpluses. In this connection I would put my hon. friend in the position of a president of a financial corporation. He is a man whose word in regard to the finances of the Dominion is taken all over this country. When he makes a statement people believe it to be true, and why should they doubt it ? When he tells us that he has so much revenue, that his expenditure is so much, and his surplus is so much, they take such statements as what the same terms would mean when used by the manager of a business corporation. My hon. friend said :

Our last session of parliament was so protracted that before the close we were able to have presented to the House the outlines of the condition of the finances of the Dominion for the year which had then recently closed, and since then the public accounts have been laid on the table, so that only a passing allusion is needed to the finances of the year which ended on the 30th June, 1903. My estimate for the revenue of that year was $65,000,000. The actual revenue was $66,037,068.93, an increase of revenue beyond my estimate of $1,037,068.93. The estimate of the expenditure proved to be a very close one. The estimate was $51,650,000. The actual expenditure of the year was $51,691,902.76, being an increase of expenditure over the amount which I ventured to speak of in my anticipations in the last budget to the extent of $41,902.76. I estimated that we would probably have on the operations of the year a surplus of $13,350,000. The out-turn of the year gave us a surplus of $14,345,166.17.

There can be no doubt in the mind of any one who is familiar with figures as to what that means. It means that the Finance Minister had a surplus of $14,345,176 in 1903, and that he expected a surplus of $16,500,000 in 1904. What I would like to know from this government is why they are taking $16,500,000 out of the pockets of the people which they do not require ? Why have they this surplus ? Why is it necessary for them to take this money from the people? When we look back and realize that the revenue in 1870 was but $15,520,225, we can have some idea of the tremendous amount of money which is being taken from the people without necessity. But my hon. friend the Finance Minister went on to boast of his surpluses, and it seems to me very strange that he should do so. He went on to show that in the eight years, since 1896, the present government have had a total net surplus of $57,880,091.92. That, it seems to me, is not a matter of which this government ought to be proud.

When he got to the question of the coal oil duties, he told the people he was going to save them a net amount—deducting the amount he was going to pay as a bounty on oil—of $390,097, providing, of course, the Standard Oil Company will do exactly as he supposes it will, which may be open to some doubt, and provided further that the same number of gallons which was consumed last year will likewise be consumed this year, namely, 25,755,450. Should this large quantity be consumed, he will save this infinitesimal amount, considering the tremendous figures we have before us, of $390,097. But what is the situation ? What would the people say if the Minister of Finance introduced a Bill for the purpose of raising revenue and put a direct tax of 64 cents on every gallon of oil people consumed ? And if he were enabled to carry out a policy of that kind, he would tax the people $16,483,588, or about the amount of the surplus he has to the end of 30th of June, 1904. That is his exact position. Take his own words. He, of course would not juggle with figures. and the people believe that any statement he makes is correct. Well, he has $16,500,000 more than he needs, which he is taking out of the people, and therefore it is about time that instead of boasting of these things the government should endeavour to relieve the people of that burthen. It seems to me that the Finance Minister, with all his ability, should ever keep in view the idea of every Finance Minister, namely, making the revenue and expenditure as nearly as possible balance. But that never seems to have entered the hon. gentleman's mind. It seems to me that it would be better to have occasionally a sligh deficit in our finances

than to go on taking such an enormous sum out of the pockets of the people.

Then, Sir, we were told, in regard to the debt of this country, that, at the end of the fiscal year, if the estimate of the Minister of Finance turned out to be absolutely correct our national debt would be $1,084,993.66 less than it was when the Liberals came into power in 1896. Now, that is a most remarkable statement also. I would like to read to the House a short table that I have prepared contrasting the revenue received during the last eight years of the Conservative government with that of the eight years of Liberal government :

TOTAL REVENUE.

8 years of Conservative rule.

1889	$38,782,870
1890	39,879,925
1891	38,579,311
1892	36,921,872
1893	38,208,609
1894	36,374,883
1895	33,978,129
1896	36,618,591
	$299,344,190

8 years of Liberal rule.

1897	$37,829,778
1898	40,556,510
1899	46,743,103
1900	51,031,467
1901	52,516,333
1902	58,042,333
1903	66,037,068
1904	71,000,000
	$423,756,592

Revenue for 8 years of Liberal government	$423,756,592
Revenue for 8 years of Conservative government	299,344,190
	$124,412,402

During the 8 years of Liberal rule, $124,412,402 has been taken from the people, in excess of what the Conservative government took during the last eight years of their government.

Revenue for 1895	$33,978,129
Revenue for 1896	36,618,590
Average for two years	$35,298,359

The revenue which the Liberal government have taken from the people, for the year ending June 30th, 1904, therefore, is more than double the average revenue taken from the people for the last two years of the Conservative regime.

In connection with this question of the debt, this extra amount of $124,412,404 which the Liberal administration have taken from the people is to be considered. The minister has said that, if his estimate is realized the debt will be $1,084,993.66 less than it was when the Liberals came into power. This is but a poor showing considering the immense amount of money that they have taken from the people in excess of what the Conservatives took during the last eight years of their regime.

But is this a complete statement of our debt that the Minister of Finance has given us ? Have we all the figures so that we may fairly estimate what our liabilities are ? It seems to me that this government has done what occasionally men in business and sometimes men out of business do ; they have become endorsers ; they have followed very largely a method, which they may be credited with having inaugurated, of pledging the public credit in connection with various enterprises instead of paying out money from the treasury of becoming endorsers. In his financial statement the Minister of Finance has done a thing which some foolish business men do, who, when they endorse a note for a friend, take no account of it, but forget all about it. He has not brought down and placed before us any record of the guarantees which this government has given with respect to various enterprises. If the hon. gentleman were in his place I would like to ask him what kind of book-keeping that is. Should we not have in the annual financial statement, a full account of the guarantees for which this government are liable. Are they not in the books of the department ? They must be, and we ought to have a record of them. Our financial statement ought to cover all our indirect as well as our direct liabilities. The railway subsidies voted last year amounted to $13,500,000 as a minimum and $18,000,000 as a maximum. This is a liability which should appear in our statement somewhere or other. We have guaranteed the bonds of the Canadian Northern Railway Company to the amount of $10,010,000. Then, there was the obligation we entered into in connection with the Quebec bridge, $6,678,200. We guaranteed the Montreal Harbour bonds to the amount of $3,000,000 and now there is talk, from time to time, of the government assuming this whole Montreal Harbour debt. Then, there is the tremendous obligation that this government have made the country liable for in the Grand Trunk Pacific scheme, which may be $150,000,000 or may be $170,000,000. We do not know yet what the amount of the obligation to which the country will be made liable this session will be ; but I think we are safe in saying that the country will consider itself lucky if, at the end of this session its real indebtedness, instead of showing a reduction of $1,000,000 or so, as the Minister of Finance has estimated, is not actually double what is shown in our statements of the net debt.

In connection with the boasts of hon. gentlemen opposite that they have a buoyant revenue there are a few remarks to be made. We have a revenue tariff, and hon. gentlemen opposite take pride in saying that it is a good revenue producer. It is. But, in practice, it is found to be too high for a revenue tariff and too low for a protective tariff. It

produces too much revenue and it does not sufficiently protect Canadian industries. Now, we are sometimes charged in this House with not criticising the estimates sufficiently. I think we on this side criticise the estimates, and take a good deal of interest in every item. It is very seldom that the government will consent to reduce any vote. They are responsible to the people and to this House for their action. I feel satisfied that we spend a great deal more money than there is any necessity for. In this connection I would draw attention to a letter from the hon. member from Victoria, N.S. (Hon. Wm. Ross) in regard to what he has done for his constituents :

Editor 'Herald'.—I think it but fair that the people of Victoria should have some idea of the amount of money spent, and to be spent, in Victoria :

Black Rock, boat harbour	$ 500
Boularderie Centre wharf	5,600
Englishtown wharf	5,400
Green Cove boat harbour	6,600
Iona wharf	6,000
Neil's harbour breakwater	16,600
Nyanza wharf	1,500
St. Ann South Gut wharf	1,300
Protection to St. Ann's beach	1,750
Little Narrows Big Pond wharf	2,000
Kempt Head wharf	5,950
Little Narrows boat harbour at Big Pond	1,000
North River, St. Ann's, Seymour Point wharf	2,000
Telegraph line, Meat Cove to Ingonish.	2,500
Telegraph line, Dingwell to Meat Cove.	600
North Ingonish breakwater	27,250
Big Harbour, Port Bevis wharf	3,700
Boularderie Centre wharf, to complete approach	670
Breton Cove boat landing	4,600
Iona extension of wharf	5,000
McKay's Point wharf	6,000
Middle River, protection to river channel	2,400
North Gut, St. Ann's wharf, at Morrison's Point	2,000
North River, St. Ann's, repairs to wharf.	900
South Gut, St. Ann's, repairs to top of wharf	500
Protection to Ingonish breakwater	1,750
Lower Washabuck beach protection	400
Telegraph line from Big Bras d'Or to Upper Kempt Head, Boularderie island, with telegraph station at Boularderie Centre, Ross' Ferry and Upper Kempt Head	2,000

A daily mail from Baddeck to Englishtown ; a tri-weekly mail from Baddeck to Baddeck Forks ; also a tri-weekly mail for the districts of Oona and Washabuck.

You will see, Mr. Editor, that the above figures will prove that I have not been asleep in the interests of my constituents in Victoria.

Now this is a letter which the hon. member for Victoria, N.S. (Hon. Mr. Ross) sent to his constituents, giving details of an expenditure of no less a sum than $115,000 spent for various purposes in his constituency; and when I remind the House that the population of Victoria is only 10,571 souls, and that the total vote cast in the last election were only 1,857, I think the hon. member will come to the conclusion that this reckless way of spending money in that constituency cannot be justified. To use a well-known expression, that is what the government is 'up against' in consequence of their tremendous revenue and surpluses. They invite demands from all quarters.

Mr. ALEX. JOHNSTON. The very question the hon. gentleman is now discussing was introduced by a speaker last evening, and he was asked whether he was opposed to any of the items in that list. I repeat that question to-night, and I ask the hon. member for Toronto (Mr. Kemp) whether he is preparel to indicate any particular item there which he regards as unnecessary.

Mr. KEMP. In this list to which I refer ?

Mr. ALEX. JOHNSTON. Yes.

Mr. KEMP. I cannot say, Mr. Speaker, whether I am opposed to these items or not, because I have not sufficiently studied them. I presume if I went over them carefully I would find a good many that I would be opposed to. I do not believe that the Postmaster General can justify that sort of expenditure.

Hon. Sir WILLIAM MULOCK (Postmaster General). The hon. gentleman was a member of this House last session when parliament voted these various moneys. Did he on that occasion object to any or all of them ?

Mr. KEMP. Well, I will take occasion to look up the 'Hansard' and see exactly what observations I did make in regard to these various items. The Postmaster General says that this money was voted last session. I did not say that, but I presume it must have been voted last session if he says so.

Sir WILLIAM MULOCK. Or during the preceding session.

Mr. KEMP. I say the amount of money thus expended is altogether absurd and ridiculous. The tendency is for members to get these amounts voted, and what is the object ? Surely it must be to influence elections in their favour. But I say that this sort of thing invites unnecessary demands from various quarters, it invites wire pullers to come to this government for all sorts of concessions. In the old days the hon. member for Victoria (Mr. Ross) was a member of the administration of the late Alexander Mackenzie, who was represented as sitting on the government treasury box with a gun in his hand to keep off all kinds of adventurers who wanted to rob it ; therefore I am surprised that the hon. member for Victoria should himself

support a policy of this kind. It seems to me it would have been better for him not to have written that letter and refer to these matters in the way he did. Now, Sir, these gentlemen in years gone by talked a good deal about reducing the expenditure. The Prime Minister was going to reduce it by two or three million dollars a year. It would be unreasonable for me to pretend that any such reduction could be made, that the yearly expenditure of this country could be reduced by two or three million dollars less than it was in the Conservative regime. But I do say this, I say it to the Postmaster General, to the Minister of Customs, and others who used to preach economy so loudly, that these tremendous amounts of money, these surpluses they boast of, they have no right to take out of the pockets of the people, and the people will hold them to account for it.

Sir WILLIAM MULOCK. Does the hon. gentleman favour lowering the tariff ?

Mr. KEMP. I am in favour of adjusting the tariff in such a way that it will not produce such an enormous revenue. If you shut out foreign goods whenever you raise the tariff, you do not get so much revenue, and at the same time you preserve the market for goods manufactured in Canada. That is my position.

Sir WILLIAM MULOCK. And you put money in the pocket of the manufacturers instead.

Mr. KEMP. Well, that is the old argument of the Postmaster General, but it is not supported by the theory of the Minister of Inland Revenue, who told us that since the duty was raised on tobacco it had been cheaper.

Sir WILLIAM MULOCK. There is competition in that case.

Mr. KEMP. It seems to me that there are enough wise ways of expending public money in this country. There are some things that we require to spend money upon, for instance the St. Lawrence route. Can we not do something to stop these frightful wrecks that are taking place in the gulf and the lower St. Lawrence ? And if we go a little beyond our jurisdiction, can we not spend some money on the coast of Newfoundland when we have this buoyant revenue ? Then there are the Canadian lakes which they say are not as safe for navigators as they are on the American side. Then there is the question of coast defence. These are matters which might well receive the attention of the government. I think we might expend more money on these things and less upon little bits of harbours and breakwaters in some small constituency of 10,000 people such as the government are doing.

Now, Mr. Speaker, I would like to review the attitude of some hon. gentlemen on the other side of the House at the present time in regard to this question of protection. I have in my mind the attitude of the hon. member for South Brant (Mr. Heyd) and the attitude of the hon. member for South Ontario (Mr. Ross) at the present moment ; and it seemed to me when the Minister of Inland Revenue was talking that he was very much in the same category as these hon. gentlemen. He was willing to put more duty on an article that he was familiar with and which might be grown in the part of the country where he lived, but he was not in favour of a general revision, for a general revision, I presume, effects members of this House in most all the constituencies. From time to time we have had theories put forward in this House as to what a tariff should be and what it should not be. I hold in my hand five pamphlets, campaign documents that hon. gentlemen opposite are sending out by the carload, I presume, because I suppose they want to cover the whole country. Here are two of them with photographs of the Prime Minister. One is entitled ' Seven years of Liberal administration '; another, Record of the Liberal government '; another, ' Wise expenditure and unprecedented progress ; another, ' Can the farmer be protected ? ' another, ' The tariff issue in Canada.' Now these are campaign documents that are going out, and they represent the policy of hon. gentlemen opposite. In looking over one of these pamphlets I see this at the very outset :

It is important that the people of Canada should know exactly how the political parties stand with respect to the tariff.

Turning over to the last page I see this :

The Liberal policy is directly opposed to the policy of protection. The Conservative papers and politicians recognize this and vilify Messrs. Sifton and Fielding and Fisher and other ministers who have prominently championed the consumers. . . . . No matter what individuals may say, the two parties stand distinctly divided on the tariff, the Liberals for low tariff, the Conservatives for high tariff, and any voter who is interested in tariff matters can therefore have no difficulty in expressing his opinion at the poll.

These are recent productions of hon. gentlemen opposite. No two meanings can be taken from statements of that kind. Now the hon. member for South Brant told us in this House what his views on protection are. I want to read just a few lines from a statement he made in discussing the budget on March 10, 1902, page 1457 of 'Hansard.' Referring to the cutlery industry he said :

It is an industry that is made up entirely of Canadian labour, because 14 cents worth of raw material, after Canadian labour and Canadian intelligence is expended upon it, is converted into $8.50 worth of finished razors. That is the kind of industry we ought to en-

courage in this country. A dozen shears worth $6.12 in the open market are made out of raw material that only costs 78 cents. It is too late to talk to these men after their industry is stifled. It is no use to tell them then that stability of the tariff is a desirable thing. I recognize that stability of the tariff is a good thing; but there is no use offering a stone to a man who is hungry or a straw to a man who is drowning. These men want to be protected now, not after their industry is stifled; and in these particular lines, I think the government might well listen to the plea that has been made.

The claim made by the carriage men——

Take particular note of this:

The claim made by the carriage men is also one entitled to consideration. They do not ask for more protection; they simply ask for the Canadian market. They want the valuation of a slop-made buggy increased to $50, so as to prevent the country being overrun with a quality of buggy that is of no use to the purchaser and is likely to injure an industry capable of conferring great benefit on the people of this country.

That is the statement made in 1902 by the hon. member for South Brant.

Mr. CLANCY. Surely not the present hon. member for South Brant.

Mr. KEMP. Yes, he said that. That hon. gentleman in discussing the budget this year, after quoting the Liberal platform of 1893, went on to say:

That is the policy of the Liberal party, and for the past seven years that policy has been amply justified by its results. All we need do is to compare the conditions of the country today with what they were in 1896. Every statement we made on the public platform as to the evil effects of the policy of our friends opposite we have demonstrated.

He referred to the Liberal platform of 1893 and I will not read it, because I am sure the hon. Postmaster General (Sir William Mulock) or the hon. Minister of Customs (Mr. Paterson) could recite it by heart, they are so familiar with it. Every one knows what the Liberal platform was in regard to the question of protection. The hon. Minister of Finance in 1897, I think it was, said that that was the policy of the Liberal party. We have the campaign literature of the Liberal party. I have referred to my hon. friend from South Ontario (Mr. Ross). I am sorry that neither the hon. member for South Ontario nor the hon. member for South Brant is in his place because I am sure they would be interested in seeing what their position is in regard to protection. The hon. member for South Ontario, speaking in the budget debate in 1901, said:

I have not departed from the principles of free trade, but, as I engage in the business of the country, I try to find out the necessities of the country and see what is best for the country, and, under the circumstances, I have come to the conclusion, that, if this tariff should be changed at all, it should be changed in the direction of lowering the duties.

Then he went on to say:

I do not mean by that altogether, a changing policy. That seems to be a contradiction, but, it seems to me, that, in looking at the tariff and in studying it, the English tariff is the ideal one. It is a certain tariff continuing for several years, and it is only for revenue.

The hon. member for South Ontario used to sit on this side of the House and we were all glad to have him near us. He has a very genial disposition and we all thought a great deal of him, as we still think a great deal of him. He moved his seat over near the hon. Minister of Finance and I have wondered when I have seen him engaged in conversation with the hon. Minister of Finance so much recently, what it was all about. When the tariff changes were brought down it could be easily understood. The hon. member for South Brant had two industries in his constituency that took up a great deal of his attention, the cutlery industry and the carriage industry, and the hon. member for South Ontario had a carriage industry in his consituency. This carriage industry has been very much exercised in regard to these slop buggies that were being brought in, and I am sure that great pressure must have been brought to bear to induce the hon. Minister of Finance to go back to the awful condition of affairs that prevailed under the old administration or to recognize specific duties. But the hon. member for South Ontario has the credit no doubt of having to some extent influenced the present government to go back to those conditions and to introduce again specific duties. They have done it in regard to buggies because we have it that the hon. Minister of Finance is going to make the duty on an open buggy $14 and on a covered buggy $17.50. It does not make any difference what it costs, the value is put at $40 for an open buggy, and $50 for a covered buggy. I can very well understand the difficulty that the hon. Minister of Finance was in when he was urged to take this action and I am sure that the hon. Minister of Customs must have been very much worried in reference to this application to have the duty on buggies increased. When these gentlemen came to them and said that they must have increased duties because these carriages were produced so cheaply in the United States, the hon. Minister of Customs no doubt said: There is a 35 per cent duty on buggies and there never was an ad valorem duty under the old administration of more than 35 per cent. Therefore, we could not make the duty any more than 35 per cent. But, they urged their case strongly and then no doubt a duty was named of 35 per cent with a specific duty of $4 or $5 on each buggy brought in. But, that would look

like what the Conservatives used to do and they would not be able to do it in that way. Then, these hon. gentlemen no doubt said : We will inaugurate something new ; we will raise the price of buggies to $40 and $50 for the purpose of customs. Let us analyse this thing a little farther and see where we land in regard to the question of protection. Thirty-five per cent on an open buggy amounts to $14 and 35 per cent on a covered buggy amounts to $17.50. I do not know what these buggies coming in from the United States cost. These are cheap buggies which are used by the farmers. The hon. member for South Ontario had gone up and down the country and decided that the English tariff was the thing for his constituents. He wanted lower duties. They will, in the United States get $25 for an open buggy, or $35 for a covered buggy. If the price is any more than that the hon. Minister of Customs will be able to tell me ; but if, at any rate, they sell at that price that would mean a duty of 55 per cent on the open buggy and 50 per cent on the covered buggy. I will raise that valuation by $5. Suppose these buggies are worth $30 and $40 in the United States then the protection would be 46 per cent on the open buggy 44 per cent on the covered buggy. I would like to ask hon. gentlemen opposite if that is not the whole policy of the government on this question of protection. Here they come and tell us that they believe in the tariff platform of the Liberal party as laid down in 1893, that they do not believe in the American tariff, that they do not believe in having such a tariff as will produce trusts and yet here is a tariff that is higher than the American tariff. These hon. gentlemen say one thing one day and another thing another day. They are looking north by south all the time. When the budget was delivered the hon. member for South Brant was just as anxious as he could be to get on his feet. He was the first hon. gentleman on the government side of the House to get up and defend the government in regard to this matter. He had got what he wanted for carriages. He knew the trouble he had had in Brantford in regard to the cutlery industry which is closed up. He knew that the best people in Brantford had invested a lot of money in the cutlery industry. That hon. gentleman during the course of his speech was questioned by my hon. friend from Wentworth (Mr. Smith), who asked him :

> How many are employed in the Bailey Cutlery Works ?
>
> Mr. HEYD. I am very sorry to say there are not many. But when Canada gets big enough to sustain an industry of that kind, such an industry will survive and not till then.

Put that alongside of what he said in 1902. It may be unparliamentary to say that any hon. member of this House is insincere, but it is not unparliamentary to say that the whole Liberal party is insincere, and I am fairly entitled to take advantage of the privilege to describe them as such in respect to the tariff question. The fact is, that when a government supporter wants to get anything for his constituency, he cares nothing about what the farmer has to pay for his buggy or for anything else, even if it comes to putting on a duty of 50 per cent. I am not exactly sure what is meant by what is called the 'dumping' clause in the budget speech. Our present law is rather elaborate; the Customs Act is composed of 254 sections ; forty-nine sections were amended in 1888, and year after year every clause almost has been dealt with in some way. We know that the laws of the United States are much more strict than our laws are with regard to under valuation. After giving the matter some thought I take it, that the government intends to amend section 4 of the Customs Act as amended in 1888 by substituting the 'dumping' clause in the resolution, for it. But what evidence of dumping will the government be able to obtain. The 'Globe,' referring to an editorial in the New York 'Post,' stated that dumped goods did not have the mark of Cain upon them, and I thought that was a very apt allusion. Generally the conditions under which goods are dumped in another country, are, when there is an over production, or when prices are demoralized, and if such conditions exist in the United States as have been stated by the Prime Minister, then this dumping clause will have no effect. If the manufacturer in the United States sells an article in his own country at a cut price, and if he sells it at the same cut price in Canada, then it cannot be said that he is dumping his goods here. It is my opinion that we should adopt the same system of valuation for duty as is in force in the United States, and then there will be no necessity for this dumping clause. The United States have few ports of entry, whereas we have ports of entry at various points throughout the different provinces, and we will need an expert at each port to tell whether goods are dumped or not. In Montreal and Toronto we require to have experts in prices of all kinds and these men have to be paid large salaries. How are the customs officers throughout the country going to tell the real price of the thousand and one kinds of merchandise that are brought in ? I believe it will be impossible to enforce this law, and I fear that the benefit will not result from it which the government seem to hope. We on this side of the House are in favour of putting an adequate duty on all kinds of goods so as to protect our home industries, and if the government now in power would adopt that policy, they need not have to resort to all these complicated methods which they constantly seek to devise. The Minister of Finance raised the duties on wool-

lens and I congratulate him on that, but I fear that even now the protection is not sufficient to resuscitate the woollen industry in this country. However, half a loaf is better than no bread. I am glad that the government is returning to the principle of imposing specific duties, because I believe that without specific duties it will be impossible to develop and protect certain industries in this country. I am also glad that the Minister of Inland Revenue has helped the native tobacco industry by the duty which this government has imposed, if the result is as he claims. I am not objecting to these increases of duty ; I am merely pointing out what to my mind are the defects in the fiscal policy of the government. The Minister of Finance told us, that we were likely to have an inquiry into the whole tariff question, but it seems to me that if he were able to arrange the duties on coal oil and buggies and woollens without any investigation, there must be certain other industries which the government know require protection and as to which they did not require an investigation because the needs of these industries have been placed before them again and again by deputations which have come here to wait on the ministers. But some excuse had to be found for postponing the revision of the tariff this session. One year the excuse was given that the revision of the tariff was postponed because of the joint high commission ; another year the excuse was given that it was because the colonial conference was meeting ; another year, it was because of the agitation concerning our trade relations with Great Britain and the colonies, and so this year another excuse had to be found and we are promised an inquiry. I think, however, that I will be able to show from the remarks of the Finance Minister, that he is even yet a little hazy about this matter. This delay is working injury to a lot of our manufacturers. I am not going to talk blue ruin ; but there are a considerable number of other industries which need assistance just as much as the woollen industry and the carriage industry ; and the problem could be solved just as easily in those cases as in the others.

The Finance Minister said we might have to change the tariff because of changed conditions in other countries. I do not think that is the way to look at this question. We want a tariff that will be stable, one that will be suitable to this country in all conditions. The conditions in another country may be good or bad, but we do not want to raise or lower our tariff in order to meet those conditions we want a tariff that will meet all conditions. If it is all right when trade is poor, it will be all right when trade is better.

The Finance Minister said that the tariff was sufficiently good to induce manufacturers from the United States to settle in this country. I suppose he had in mind the

American Locomotive Company, which has built a factory at Longue Point. I was talking to an officer of high standing in that company a few days ago, and I asked him what induced the company to come to Canada. He said : 'There is a good demand for locomotives, and the duty on them is 35 per cent ; and one reason which influenced them was that they claim they can do more business if located in a British colony with other British colonies than from the United States.' This man had travelled in Russia and in many other parts of the world, and he said that there was something in favour of an article that was made in a British colony. This is an argument in favour of mutual preferential trade between Great Britain and her colonies. In this connection I might point out that the great Westinghouse Electric Company settled in free trade England, and put up buildings on 160 acres of land a short time ago ; and we may well ask why it did that ?

We have been promised a tariff commission. What the Finance Minister said on that subject was this :

> We desire to deal with certain things as they present themselves to us to-day we desire to deal with matters of urgency, reserving the question of a more general and more detailed tariff revision until an early date—I would say hopefully next session, but at all events as soon as a proper inquiry can be made.

The Prime Minister said in regard to that :

> Now, Sir, I have exposed the policy of the government upon this occasion. This is not, as has been stated, a regular revision of the tariff. That may come or it may not come, it will depend upon circumstances.

So that those are the remarks of the Finance Minister and of the Prime Minister, there is nothing very definite about the revision of the tariff. It may come or it may not come next session. Therefore, we are in the same position in regard to that as we were before. With us on this side of the House, protection is a constructive principle of politics, and the sooner hon. gentlemen opposite say what they mean by their tariff policy, as they did in regard to their policy of unrestricted reciprocity, the better for this country. We want to give a fair chance to Canadian workmen, Canadian brains and Canadian capital against foreign workmen and foreign capital. We want to say to foreign labour : You are protected at home in your own country ; hands off Canadian labour and Canadian capital. I believe it is the duty of this government to see in what way the industries of this country are being injured from time to time by the foreigner, and to say to him, hands off Canada. I do not think we ought to wait to revise the tariff until the chimneys are smokeless or until the windows are broken. The government pur-

sued that policy in regard to the cutlery industry in the constituency of my hon. friend from South Brant (Mr. Heyd), also in regard to the woollen industry. I do not think we want a repetition of that sort of thing. The Finance Minister is not what may be called an enthusiastic protectionist; and it seems to me that in order to administer a protective tariff properly, we need a Finance Minister who is an enthusiast on the question of protection. The stock-in-trade of hon. gentlemen opposite is the prosperity of Canada—the tremendous revenues they are rolling up, and the big surpluses they are enabled to show as the result of this buoyant revenue. I think we might well ask the government, what acts are to their credit with which the pleasant occupation of spending money is not connected? The spending of money is connected with a revision of the tariff. It might cause the government a lot of worry, but nothing to what the old administration had, when it put the protective tariff on the statute-book.

Before taking my seat, I would like to point out the amount of manufacturing done in this country. The Minister of Agriculture, for some reason, changed the mode of taking the census the last time from the mode followed previously, so that shows the condition of the industries somewhat differently. The industrial part of the census taken under this administration in 1901, I regret to say, is not published yet. I have been informed, in answer to a question on the order paper, that the figures are in the Printing Bureau, but we have not them at our disposal. I have the figures, however, and they show that according to the last census the output of the industrial establishments of this country was more than our total imports and exports. Our total exports and imports in 1903 were $467,664,685, and the output of our industries in one year, according to the census, was $481,053,385. I believe, however, that if the output of our industries were taken correctly, including all the products into which motive power enters, it would show that we are producing in our industrial establishments something nearer $750,000,000 annually. According to the census, the amount of capital invested in our industrial establishments was $446,916,487. And yet I heard one gentleman, who knew what he was talking about, say that he believed that three-fourths of the capital employed in our industries in this country was borrowed capital; so that you would have to add to the sum I have named a tremendous amount. So that we have at stake in this country a tremendous amount of money, taking together the capital paid up and the capital borrowed, and it should be the duty of the government to watch carefully these industries. The wages paid amount to $102,984,668 annually. Then we have this tremendous growth of imports from the United States. It has often been pointed out by hon. gentlemen opposite that many of these imports consists of raw materials, but it is not of the imports of raw material that we complain. In 1896 we imported from the United States $29,101,646 worth of dutiable goods and in 1903 dutiable goods to the amount of $68,538,323. Our whole imports from that country are going up by leaps and bounds. I shall not refer to the question of the balance of trade against us in the United States, because that has been threshed out time and again, but I may mention that the balance of trade against this country from all sources amounts to $10,410,000. This should not be. In the United States the condition is exactly the opposite. There the exports in 1903 amounted to $1,420,141,679 and the imports to $1,025,719,237, leaving a balance of trade in favour of the United States of $394,442,442. The excess of exports went in 1898 as high as $615,432,676.

Here is another illustration of our position. The imports of the United States in 1902 were $11.87 per head, while the imports for the same year in Canada amounted to $38.90 per head. Surely that is evidence of some weight regarding the amount of goods we are importing and the amount we are manufacturing. What we require is a protective policy suitable to the conditions of the country, and we do not want to be hewers of wood or drawers of water either for the United Sates or any other nation in the world.

Mr. HENRI BOURASSA (Labelle). I do not propose to follow the hon. gentleman through all his criticism of the budget nor is it my intention to call in question the receipts and expenditures or the methods used by the government in spending money. Ever since I have been able to follow the discussion of public affairs, I have found that the usual custom with all governments is to spend as much money as they can and that it is equally the custom of all the oppositions to find fault with such expenditure. The question I propose to consider to-night is simply that of the tariff; and to my mind the budget brought down by the government this year is the most promising, intelligent and businesslike we have had since the late Sir John Macdonald introduced his protective policy in 1879. Like the budget of that year, the one brought down this year is inspired with the idea of helping Canadian trade and industry without any regard to outside circumstances, except in so far as they can affect Canadian business. That the hon. gentleman who has just taken his seat (Mr. Kemp) and his colleagues on his side should criticise the budget is only natural; and I shall only refer to their criticisms to show the weakness of the ground on which they stand. For instance my hon. friend from Toronto (Mr. Kemp) has just told us emphatically that the policy of the Conservative party is not to copy that of the United States on the tariff question. But the chief organ of that

party in the province of Quebec has been giving as the Tory platform——

Mr. KEMP. What I did say was that we do not propose to copy the American tariff.

Mr. BOURASSA. Exactly.

Mr. KEMP. I think the hon. gentleman said the American policy.

Mr. BOURASSA. I am glad my hon. friend has repeated what he has said, because what the Montreal 'Star' has been urging the Conservative party to force this government to do is to adopt the American tariff in our statutes. Not only that; but a former member of this government, the ex-Minister of Public Works (Mr. Tarte) left the cabinet and joined to all practical purposes the Conservative party in order to force the Canadian government to adopt the American tariff. These hon. gentlemen have endorsed the attitude of the hon. member for St. Mary's (Mr. Tarte). They have endorsed his speeches and his articles in his newspaper 'La Patrie,' in which every day during the past fifteen months we have had an appeal to the government to adopt the American tariff in order to produce the same results in this country as that tariff has produced in the United States. Well, I repeat that we are ready to take issue with the opposition on this point.

My position on the tariff question is well known. Even before some members of this government and before many members of the Liberal party had come to the conclusion that we needed protection, I declared most clearly and emphatically that I believed a system of moderate protection was required for this country. In the elections of 1896 and again in 1900, and every year since, in parliament, I have advocated a policy of moderate protection suited to the requirements of the trade and industry in Canada. On that ground I am still standing, as far apart from the present position of the Conservative party which is asking us to copy the policy of the United States as I was apart from the policy of the Liberal party when many of them wanted the government to copy the policy of England. What I desire is that we should not go outside our own borders to borrow a policy. What I desire is that we should not go to England or the United States for lessons in political economy; or rather, there is one lesson we should learn from them, and it is that we should have a policy of our own, suited to our own needs. The budget of this year is the most comprehensive and sincere realization of that wish.

The hon. member (Mr. Kemp) disputes the fact that there has been depression in the United States under a high protective tariff; but what have we heard for the two last years from Conservative speakers? They have been preaching to us that we should raise our tariff in Canada because before long the depression in the United States will be such that a higher tariff will be the only way in which we can save our own industry. Only last year the hon. member for West Toronto (Mr. Osler) urged the government to increase the duties on steel and iron because the condition of the steel and iron trade in the United States was coming to such a point of depression that it would be impossible for the steel industry in Canada to stand the competition. Sir, I think that the government have taken the only proper way to meet the danger of dumping from the United States and Germany. Certainly so far as the tariff of this year is concerned, I hail it with the greatest satisfaction and congratulate the hon. the Minister of Finance on the means he has taken to prevent Canadian trade and industry from being interfered with by unfair competition from foreign countries on that ground.

I cannot refrain from recalling my first address to this House on tariff questions—I think it was in 1898. On that occasion I caused a good deal of scandal amongst my hon. friends on this side by making exactly the same arguments that have been used this year by the Finance Minister as to the disadvantage to the Canadian consumer, resulting from dumping by foreign countries. I am glad that at last the government have opened their eyes to the danger and have adopted a policy which, on the one hand, does not commit us to the heresies of the Conservative party and cause us to fall into the excesses of high tariff, and thereby into the state of depression that exists in the United States—and yet, on the other hand, will protect Canadian industry against exceptional cheap prices, the only object of which is to destroy Canadian industry and leave us entirely at the mercy of the combines in the United States. Now, the hon. member says that there will be difficulty in exercising the power that we are asked to put into the hands of the hon. Minister of Customs. Undoubtedly there will be difficulty. There are difficulties in applying the present tariff. Every day attempts are made by the importers of this country to deceive the officials of the minister as to the value of the articles imported under the scale of duties now in force. But, Sir, merely because there are difficulties in the way, merely because there will be attempts to defraud the treasury of this country and to evade the obligations of the law, is that any reason why we should not adopt a suitable law and take the proper means to protect Canadian trade and Canadian industry against unfair competition? Should hon. gentlemen opposite come into power and adopt a high tariff, such as they say is required by Canadian trade, does the hon. member for East Toronto (Mr. Kemp) believe for a moment that there will be no attempt on the part of importers to evade the duties? The higher the tariff the greater the efforts that are made to evade the duties. Highly protected countries are always more subject than low tariff countries to attempts

to defraud the treasury and evade the customs duties. In adopting this proposed amendment, the government have taken a course which will make us an example to many other countries that are suffering from the same evil that we complain of. And, at the same time, it will be a warning to the manufacturers and traders of foreign countries and to their agents in Canada that we do not want to stand any more unfair competition.

As to the amendments that are made in the tariff this year, I do not intend to discuss them at great length. So far as the amendments proposed by the Minister of Finance to the preferential trade system, I may say, without entering into details, that I am amply satisfied with them, not so much because of the particular effects of these amendments upon special industries, but because this is the first step taken by this government within the last five years to destroy the legend that has grown up in this country that the preferential tariff is something sacred, something that belongs to the shrine of imperialism, which cannot be touched, and which the government must not attempt to amend. The government have come back to the spirit in which that legislation was introduced in 1897, that is, that the preferential tariff was adopted for the benefit of the people of Canada, especially for the benefit of the consumers of Canada, and that it is to be dealt with by this parliament in the interests of the people of this country, as circumstances may require from year to year.

I admit that, from the declarations made by the Minister of Finance last year, we might have expected more changes in the preferential tariff than those which have been proposed by the government. In fact, Mr. Chamberlain himself told the people of England last fall that the Minister of Finance of Canada had virtually announced that he was going to repeal the preferential clause in case the British government and the British people were not prepared to meet us with equally favourable treatment. However, I entirely approve of the government for not having made more changes at the present time in the preferential tariff, since they have made the announcement that a general revision of the tariff is to take place before long.

So far as the general revision is concerned, I may say that I am also fully satisfied with the broad lines that have been given by the Minister of Finance as to the principle upon which that revision is to take place. Hon. gentlemen on the other side have criticised the idea of appointing a commission to look into the details of that revision. I entirely differ from the opposition on that point —although I am sure I am far from believing, on general principles, in government by commission. Where questions of policy, of law or of constitutional principle, are concerned, I believe it is the duty of this parliament to deal with them without invoking outside interference or help to prepare the work. But here is a question of business, which, with a lapse of time and the changes of industry and trade, is becoming more and more complicated every year. Here is the question of a tariff, any single item of which may cause disturbance in trade. For the moment you touch the tariff upon one item there is a reaction upon many other items which do not appear, at first sight, to be connected with it. Then there are the questions that arise between the different kinds of industry. For instance, steel, cotton and wool are the big industries that import most of their raw materials and turn out large quantities of products, and these become, in their turn, the raw material of some secondary industries, which, therefore, are directly affected the moment a change of tariff upon some products of the primary industries is proposed. The question has become more and more complicated for us. I am sure that one of the difficulties the government had to contend with in receiving all those delegations from manufacturers was that one day they must have been asked to raise the duty on an article, and the next day some other manufacturer would urge a reduction of the same duty, because to increase the duty would be to raise the price of the raw material of some secondary industry and so, in effect, neutralize the protection given to it.

But there is one feature of the tariff question that is still more important to my mind and requires the preliminary work of a commission of experts before we deal with it, that is the question of our foreign relations as affected by the tariff. The influence of tariffs on trade relations between different countries has been increasing daily all over the world. Originally, all protective nations adopted tariffs for their own use and without regard to anything except their own industries and their own consumers ; right or wrong, it was a mere question of internal policy. But, by and by, as the interchanges of commodities between nations grew, and especially when large protective and manufacturing countries began to compete with Great Britain and to take away from Great Britain the supremacy which she held at one time in the matter of exchange between nations, the tariffs of the different countries have become more and more every day instruments of international relations.

The Prime Minister announced last year that he wanted to press upon the British government the necessity of granting to Canada the right to negotiate her own treaties. The government this year announces that when they next revise the tariff they are prepared to adopt the principle which has been adopted by Germany, by France and by several other protective countries, namely, the principle of a double-edged tariff, or a maximum and a minimum tariff. What does that mean ? It means

that we intend to begin a national life of our own so far as trade matters are concerned, and we wish to prepare for that by taking into our own hands the instruments wherewith we may meet foreign countries and deal with them as they deal with us, to apply to them a high tariff when they apply to us a high tariff, and apply to them a low tariff when they apply to us a low tariff. In other words, we want to deal with foreign countries on an equal footing. I cannot but applaud that idea. However, I must say that I take some exception to the definition which has been given by the Minister of Finance to that policy. He told us, if I remember aright, that the maximum tariff would apply to all countries that had a high tariff, although not discriminating against us ; that the minimum tariff would apply to the countries having a low tariff, although they gave us no special favour ; and that alongside of these tariffs, the preferential tariff would still apply to Great Britain and some of her colonies.

Well, Sir, I cannot see, if this is really the ground upon which the double, or I would say, the triple scale of tariff is going to be based, I cannot see how it is going to be worked out in accordance with what I understand to be the intention of the government. I do not see how their minimum tariff will stand as an offer for reciprocity to foreign countries so long as we retain the preferential tariff with Great Britain. Great Britain offers us no favour, she treats us just as she treats hostile countries, she offers us the same tariff that she offers the United States and Germany. At the same time I do not see how we are going to apply the maximum tariff to countries with a high tariff when we would have a minimum tariff to apply to foreign countries who have a low tariff, but who offer us no favours. The way the minimum and maximum tariff should apply is this : The maximum tariff is to apply to countries who refuse to make trade arrangements with us ; the minimum tariff will be offered as an inducement to foreign countries who, having a high or a low tariff, would yet be willing to make a special arrangement with us and give us better treatment in compensation for the lower tariff we offered them. It seems to me, Sir, that we have altogether a false conception as to what is favourable treatment or harsh treatment in trade matters. The country that treats us harshly is not the country that has a high tariff and applies it to us in the same way that it applies it to all countries ; the country that treats us favourably is not the country that offers us a low tariff, or even that offers us a free entry into its markets when it gives the same privilege to all countries. Take for example the United States, with an average tariff of about 45 per cent. Supposing the United States were to offer us a preference of 25 per cent off, while retaining a duty of 20 per cent against our goods ; would not the United States thereby offer us much better treatment than the treatment we at present receive from the British government who, while giving us free entry to her markets, also gives free entry to her competitors and our competitors ? who gives, for instance, no better treatment to us than she gives to Germany ?

The mistake we make is to introduce sentiment into the consideration of these trade questions. I well remember, even before I was a member of this House, when the Conservatives adopted the French treaty. The Conservative press and some members of the Conservative party, who at that time were not afraid of French domination, who at that time could derive no benefit from stirring up popular feeling in the province of Ontario against the province of Quebec—the Conservative press, I say, complained in the province of Quebec that some of the Liberals voted against the French treaty although that was the first treaty ever concluded by a Canadian government with the land of our origin. The position I took at that time was that in matters of trade I was first and foremost a Canadian, that if I were a member of the Canadian parliament I would grant no favours to France unless reciprocal favours were granted by France to Canada ; that my duty would be first of all to protect the interest of the Canadian people and to allow the people of France to look after their own interest. The position I took upon that question was exactly the same as the position I now take upon our trade relations with Great Britain. I say we shall not obtain any better treatment from the people of Great Britain, who are shrewd business men, so long as we show ourselves unable to deal with trade questions on their merits, so long as we say that because we are a British colony, because we are proud, and justly proud, of being a British colony, in matters of trade we are going to introduce an element of sentiment, we are going to make the people of Canada believe that while Great Britain treats us as she treats all the other countries in the world, we are bound to give her an advantage in our markets. I say the best way to obtain preferential trade with Great Britain is to show her that our people are as intelligent as they are. The best way to make trade arrangements with Great Britain, or with the United States, or any other country, is to show that we are prepared to stand upon our own bottom, ready to defend the interests of Canada first and foremost, without regard to the interests of any other country.

Now, Sir, my hon. friend the leader of the opposition thought fit yesterday to make a slight allusion to my opinions and some of my utterances upon that subject. He

said, in substance : How is it that gentlemen who were connected with the Anglo-American Commission, with a body endeavouring to get a treaty of reciprocity with the United States, and who were not afraid of the dangers which might arise from such a treaty with the United States, are now so much afraid of a treaty of reciprocity with England, and deprecate the idea of imperial preferential trade because they fear that it will endanger Canadian autonomy ? Sir, I am accustomed to being misquoted by Conservatives. I have been misquoted and misrepresented by many Conservative newspapers, and I am sorry to say that now, for the first time, I must put the leader of the opposition in the same category. Sir, in all the speeches I have made in the province of Quebec against the adoption of Mr. Chamberlain's policy, I have stated most emphatically that I was desirous, and most desirous, of concluding a treaty of reciprocity with England. There is more : one of the articles of the programme of that very organization, La Ligue Nationaliste, which caused so much scandal at the beginning of this session is that Canada should negotiate a treaty of reciprocity with England. But, what I have stated, what I state to-day and what I shall go on stating as long as it is not acknowledged by this parliament and the people of Canada, is that in our trade relations with Great Britain we should stand on the same ground as we stand in regard to our trade relations with all other countries; that Canada is a self-governing country in trade matters, and that we should show the same spirit in dealing with Great Britain as we should show in dealing with other countries. What I am most surprised at is that this should cause so much scandal in this country. Have hon. gentlemen opposite forgotten the events of twenty-five years ago when their leaders and their party, being taunted with disloyalty because by adopting the policy of protection they were discriminating against the mother country, they declared to the four corners of this land that if protection for Canadian industries was detrimental to British interests, so much the worse for British interests ? As to my hon. friends on this side of the House who have also, though to a less extent, become so tender on the question of the loyalty of Canada, even in trade matters, have they forgotten the day when they were advocating through the length and breadth of this land the policy of commercial union with the United States which certainly would have brought us very near the point of political union ? I was not at that time old enough to take part in the fights of the Liberal party and I do not know what stand I would have taken ; but I will reply here and now to my hon. friend the leader of the opposition that I am in favour of concluding the best reciprocity treaty wih the United States the moment we can do so without any sacrifice to our interests and dignity, and likewise I am ready at any time to negotiate the best reciprocity treaty with Great Britain and with any of the British colonies the moment that Great Britain is ready to treat us on equal terms, and to give us advantages similar to those which we give to her. Where is the disloyalty in that ? How can it cause a scandal ?

The policy that I have opposed for the last four years and that I am going to deal with now is not the proposition for a treaty of reciprocity between Great Britain and Canada, but it is the policy of Mr. Chamberlain. The policy of Mr. Chamberlain is as entirely different from the policy advocated either by the hon. Minister of Finance or by the hon. leader of the opposition as the American tariff is different from the Cobdenite free trade policy of England. The Minister of Finance told us that both parties in Canada were united in approval of Mr. Chamberlain's policy. He told us the same thing last year, though, I must say, I was glad to find that the tone was not exactly as tender and warm this year as it was last year. Last year the hon. Minister of Finance told us this :

> It is recognized in England to-day that the line that Mr. Chamberlain is taking is the outcome of the policy of Canada, and therefore what Mr. Chamberlain is doing is precisely what we have been doing for seven years in the Dominion. . . . My sympathies are with the right hon. gentleman. . . . Our hearts go out to him.

It was a fervid declaration of love. This year naturally, after one year of honeymoon without much intimacy, the sentiment has grown a little cooler.

> I think——

Says the hon. gentleman :

> I think I am justified in saying, and I think hon. gentlemen opposite will not find fault with me in saying, that practically the two great political parties in Canada are a unit to-day in favour of the principle of preferential trade. . . . Although there may be details in Mr. Chamberlain's plan which we are not called upon to deal with, and which we do not know to-day how we can deal with, inasmuch as he has practically taken up the Canadian policy, adopted it and recommended it to the British empire, to that extent we are heartily in accord with Mr. Chamberlain.

The hon. leader of the opposition has echoed these words. But it is rather interesting—and to my mind nothing is more illustrative of the fallacy of all this imperialism—to compare these expressions of Canadian sentiment with the declarations of Mr. Chamberlain. Speaking at Birmingham in November last, that distinguished statesman said :

> We know as regards Canada that the Prime Minister of Canada, that the leader of the opposition, that Mr. Tarte, one of the most

distinguished representatives of French Canada, are all in favour of this principle. . . . . They gave us voluntarily of their own accord a preference of 33⅓ per cent, and one result of that preference is that our trade with Canada has gone up in the last few years until it is nearly double—it has increased by something like £6,000,000—and the Canadian government and the Canadian opposition say that if we are willing to reciprocate they are willing to negotiate and see if they cannot give us further advantages.

Yes, in England, as here, both Canadian parties are supposed to be for it; but in England it is expected that both parties will grant more favours to Great Britain; and here the Finance Minister comes down with a decrease of the British preference; and the only fault found with this measure by the hon. gentlemen opposite—the men who have for four years denounced me all over the country as a disloyal rebel on account of my opposition to Mr. Chamberlain's policy—is that we are not decreasing the preference sufficiently. We have had it from the mouth of the hon. member for East Toronto (Mr. Kemp) who has just taken his seat.

On general grounds, the Minister of Finance has told us and properly so that the movement is not over, that when a political movement of that magnitude is taken up by a statesman of the strength and will of Mr. Chamberlain, it is not likely to rest there, and that therefore we should wait a little while to see what progress Mr. Chamberlain may make and be prepared to meet him. I think it is only proper that for once the policy of Mr. Chamberlain should be shown to the people of Canada not in the colours in which it is being painted by Canadian statesmen and newspapers but in its true colours, as they are exhibited to the people of England by Mr. Chamberlain himself and by his friends.

Now I propose, by undisputable evidence, to show that if a treaty, founded on the policy of Mr. Chamberlain as it is represented to us by both the Liberal and Conservative parties in this country, were proposed in England, not only would both parties in England be opposed to it, but Mr. Chamberlain would be the foremost denouncing it. And likewise, I hold that if the policy of Mr. Chamberlain were presented to the people of Canada in its true colours, not only would both parties here be united against it, but I am sure that from the ranks of hon. gentlemen opposite, from the worthy descendants of those high minded patriots who at one time hanged good Canadians because they wanted this country to be ruled in accordance with the principles of British institutions, and who soon after pelted the representative of the Crown because the public chest was no more to be confounded with their private purses—I am sure that from the ranks of hon. gentlemen opposite, we would get annexation manifestoes such as those which in days gone by were prepared and signed by men who afterwards became their leaders and the highest representatives of Canadian loyalty.

What is Mr. Chamberlain's policy? We have been told many a time, and even yesterday the hon. leader of the opposition told us, that Mr. Chamberlain's policy was but a reciprocity treaty between England and Canada. My hon. friend from St. Mary's division of Montreal (Mr. Tarte), whom I regret not to see in his seat, has told us in the province of Quebec many a time and his words have been echoed by several members of the Conservative party in that province—that the only issue that Mr. Chamberlain was proposing was to give us big favours for a very small return, that he was proposing to advance the price of our farm products, butter, cheese, hay, wheat, grain, cattle, meat, in fact all the products of the farm, by granting a liberal preference, and that all he was asking in return was so small that it was not worth mentioning. On the other hand, Mr. Chamberlain declared at Glasgow, on the 6th day of October, that what the colonies were prepared to do was to give to England 'a substantial advantage' in return for 'a very moderate preference.' What is that substantial advantage that Great Britain is going to obtain? First of all—and that is the way Mr. Chamberlain, in his eloquent and forceful speeches, has always put the question before the working men of England—first of all, the working men of England will secure in the colonies a permanent market for their manufactured goods; because, he says, the colonies are prepared to renounce the development of their industries so as to secure for British workmen and British trade a large and increasing market. What Mr. Chamberlain wants is, that the colonies should become a dumping ground for British products. There is not the slighest doubt about that, as I shall show. What Mr. Chamberlain wants further is to prevent the colonies from making trade arrangements with foreign countries. In order to do that he does not want to make a separate reciprocity treaty with any single colony. To that extent I would be entirely in favour of his policy; and as I have time and again said in the province of Quebec, I am ready to discuss on the part of Canada, as distinct from the other colonies, our trade relations and reciprocity with England. But Mr. Chamberlain does not want that. What he wants is to create an imperial tariff that will apply at the same time to Great Britain and to all the colonies, and which tariff will be prepared by an imperial council sitting in London, so that none of the colonies will be in a position to make trade arrangements with any foreign country. Is that the policy to which both parties in Canada are united? Is the Minister of Finance ready to stand up here and say that

the Liberal party will renounce the right of taxation in this country ; and the right to make our trade arrangements with foreign countries ? Are the leader of the opposition and the member for Toronto (Mr. Kemp), ready to stand up here and say that they will stop the development of industries in Canada, so as to give employment to British labour ? If so, let them speak no longer of adequate protection for the Canadian manufacturer, the Canadian workman, the Canadian farmer.

But, further, Mr. Chamberlain wants to secure for Great Britain an abundant supply of cheap food—and, as he said himself at Glasgow—'another product of the empire, that is, men,'—men for the army and men for the navy ; because the workmen of England will not hear of conscription, and the British government being afraid of adopting conscription, they want to come to the colonies to take advantage of 'that splendid wave of imperial sentiment,' and get from the colonies that which the people of Great Britain will not themselves give for their own defence. Is the Canadian government and is the Canadian opposition ready to stand up for that policy ? Why, Sir, we are advertising this country throughout Europe as a country in which the working man and the farmer may live in peace. The Minister of the Interior, in pursuance of his intelligent and progressive policy, has been for the last five years advertising Canada as a country of wealth and a country of peace. Are we going to invite the foreigner to come and live with us, and then are both parties in Canada going to join hands and say to Mr. Chamberlain : 'All right, come and get the young men of Canada for the army and navy of the empire—take that splendid product of the empire, men,—and we will fill up their places with Doukhobors and Galicians.'

But, what is most amusing is, that that splendid advantage which is offered to us in the British market, reduces itself simply to a small preference on wheat. And even on this ground, Mr. Chamberlain takes good care to tell the people of Great Britain, that the moment the preferential tariff would have been adopted, the price of wheat would go up a little, but that soon after the price would go down, so that after a few years the price of wheat in England would be lower than before the adoption of a preferential tariff. I am told that the legislature of Manitoba has adopted a resolution in favour of the preference, because it thinks it is going to stimulate the cultivation of wheat in the west. Is it of good omen for the farmers of Manitoba, that three or four years after we have closed our bargain with Mr. Chamberlain, the price of wheat is going to be lower than it is to-day ? That is the ground upon which Mr. Chamberlain has been standing for months back. He has proved to the people of England that so long as the registration duty on imported wheat was in force during the war, it was the foreigner who paid the tax. He has proved that the American transportation lines found a way to carry wheat cheaper, so that the price of wheat in England was not raised. He proved to the people of Great Britain, that when the wheat duty was increased in Germany in 1885, the price of wheat did not increase as fast in Germany as in Great Britain. He has proved, that when the wheat duty was increased in France, the price of wheat did not advance as fast as it advanced in England. He says that for the first years the foreigner will pay the duty, and that the imposition of the duty will have so stimulated the production of wheat, not only in Canada, but in Egypt and India, that the price of wheat will soon be lower in England. That is the very argument used by the Minister of Inland Revenue to-night with regard to the production of tobacco in Canada. Is it of good omen to the farmers of Manitoba and the great west, to know that after that bargain is concluded with Mr. Chamberlain, lands that are not now cultivated in India and in Egypt will produce wheat to such an extent, that the price of their wheat product will be lowered ?

Now, Sir, I promised the House that I would give a short quotation from Mr. Chamberlain, as to the effect of his policy upon Canadian industries. I cannot take it from this book which contains Mr. Chamberlain's orations for the past year, because Mr. Chamberlain was careful to strike out a few sentences from the revised edition, and so I must quote from the speech as reported in the London 'Times' the day after it was delivered. What did Mr. Chamberlain say as to the 'substantial advantage' we are going to give to England for 'a small preference ?' In the pamphlet which has been sent broadcast to the colonies, Mr. Chamberlain is made to say—and he is speaking from the bottom of his heart to the colonies :

> After all, there are many things which you do not now make ; many things for which we have great capacity of production—leave them to us as you have left them hitherto. Do not increase your tariff walls against us. Pull them down where they are unnecessary to the success of this policy to which you are committed.

I call the attention of my hon. friend from Toronto (Mr. Kemp) and of my hon. friend the leader of the opposition to this, in connection with their proposal for adequate protection. When they criticise this government because the tariff is too low, let them remember that Mr. Chamberlain is asking them to pull down the tariff walls further.

> Do that because we are kinsmen—without injury to any important interest.

Mind the last words : 'without injury to any important interest.' That is from the

colonial edition, but the English edition which appeared in the London 'Times' read in this way :

Do that without regard to your important interest.

So long as Mr. Chamberlain was speaking to Canadians, through the ears of the good Scotchmen of Glasgow, he could say : never mind the important interests of Canada ; but when the colonial edition was issued the words 'without regard' were replaced by the words 'without injury.' Fortunately, I had more time than the leader of the opposition and the hon. member for Toronto (Mr. Kemp) to make these comparisons. Let us read further. Here again is the text in the book :

The colonies are prepared to meet us. In return for a very moderate preference they will give us a substantial advantage. They will give us, in the first place, I believe they will reserve to us much at any rate of the trade which we already enjoy.

In the genuine edition for Glasgow, London and a few other small places in England where people have a right to vote for the British parliament—that is, in the 'Times,'—the report reads :

I believe they will reserve to us the trade which we already enjoy.

Then he goes on, according to the book :

They will not—and I would not urge them for a moment to do so—they will not injure those of their industries which have already been created.

This is of course also in the report of the London 'Times' ; but here is a short sentence which I commend to the hon. member for Pictou (Mr. Bell) who said the other day that we should develop and start as many new industries in Canada as possible. I also commend it to the hon. member for East Toronto (Mr. Kemp), who says that the policy of the Conservative party is to start as many industries as we can—to arrange the tariff so that it will bring less money into the public chest and will result in the erection of new industries. What is the word of Mr. Chamberlain to these hon. gentlemen ? According to the report of the London 'Times,' it is :

They will arrange for tariffs in future, in order not to start industries in competition with those which are already in existence in the mother country.

That sentence disappeared from the pamphlet edition of the speech.

Is that the policy of adequate protection to which the Conservative party is committed ? Is that the policy on which both parties in this country are united ? Is that the reciprocity treaty which the hon. leader of the opposition would like me to uphold ? Sir, I will apply to that policy a very able definition which has been given by Prof. Shortt, of Kingston, in what, to my mind, is the most comprehensive discussion of that problem, both from an imperial and a purely Canadian point of view. Here is what he says :

What the imperial preferential advocates, on the two sides of the Atlantic, are trying to do is to divide an expected mutual benefit in such a fashion that each party shall receive about three-fourths of it, on the ground that the other must concede something extra for the sake of sentiment.

I think this is the best definition that has been given of the imperialist policy. But that is not the only advantage Mr. Chamberlain wants. He not only wants us to stop developing this country, to renounce our right, of which the Conservative party are so proud, of starting new industries in this country. Not only is Mr. Chamberlain asking us to renounce our right of becoming a self-sustaining nation in order to have the honour of supplying the empire with cheap food, and of becoming the dumping ground of the English manufacturer ; but he has made up his mind that we are also to renounce some of our political liberties. I have been attacked for saying that if Canada adopted Mr. Chamberlain's policy Canada would lose a good deal of her autonomy. In the debate on the address, I quoted Mr. Chamberlain's speech at Glasgow, in which he said, in reply to Sir Edward Grey, that the only means by which an imperial council could be created was by the adoption of that fiscal policy on which, according to the Minister of Finance and the leader of the opposition, both parties in Canada are united. He said that he started with the fiscal side of the question because the moment it was accepted by the colonies an imperial council would be forced upon them ; and at Birmingham he gave a definition of what that imperial council would be :

That imperial council, whenever it is established, will have to do with such delicate matters as imperial defence, as imperial legislation, as imperial taxation.

Now, Sir, I will repeat what I have said in the province of Quebec and in the province of Ontario. If the people of Canada have made up their minds that they are prepared to sacrifice a part of their legislative power to a small body of gentlemen sitting in London under the hand of the colonial secretary, they are free to do it. If the Canadian people have made up their minds to endow that small council sitting in London with the power of taxation over the people of Canada, let them have their will. If they have made up their minds to give to that small council the right to draw men from this country to supply an imperial army and navy, let them do it. But again I say, as long as the people of Canada are not acquainted with the consequences of that policy nobody in this House,

neither the Minister of Finance nor the leader of the opposition, is to say that both parties in this country are united on that policy, and no Canadian newspaper is to denounce as disloyal those who raise their voices against it. The first duty of Canadian statesmen, whether they approve of Mr. Chamberlain's policy or not, is to state frankly what Mr. Chamberlain's policy is—not what they want it to be, but what it will be if the people of Great Britain ratify it. I may be told that if Mr. Chamberlain's policy is what I have pointed it out to be, we are not obliged to accept it. Why then raise in this country hopes and expectations that cannot be fulfilled? Why, then, keep the people on the other side of the ocean under a misapprehension as to the sentiment of this country? We have had in the budget of this year, the most Canadian budget we have ever had, a declaration of fiscal independence on the part of this country. It declares that we are prepared to trade with foreign nations. It declares that we have adopted the preferential policy for the benefit of the people of Canada; and so far as that is concerned, I greet it. But I say, do not tack on to it declarations of adherence to a policy the very opposite of the policy we are propounding. Let not the opposition speak of adequate protection, of Canada for the Canadians, of the defence of Canadian industries, and at the same time profess attachment to a policy which would mean the destruction of Canadian industries, which would not mean Canada for the Canadians, but Canada as the dumping ground for the manufacturers of Manchester and Birmingham.

But, Sir, I may be asked, if the proposed policy of Mr. Chamberlain will be so unfavourable to the colonies, how is it that the people of Great Britain refuse to adopt it? Well, one of the reasons may be that 'lack of imagination' on the part of the people of the motherland of which Mr. Chamberlain complained so bitterly. I will not style it in that way. I will say that the common sense, the shrewdness, and the safeness of the people of Great Britain are what is saving her and us from the imperialistic mania—from that distasteful policy propounded by Mr. Chamberlain during the last few years, and unfortunately endorsed by some of the public men of Canada.

Then we should not forget, when considering these big advantages which Mr. Chamberlain is offering to the people of Great Britain in exchange for a small tax on food, that the people of Great Britain cannot afford to increase the price of their food to-day for any future advantage which Mr. Chamberlain can offer. I have the authority of Mr. Chamberlain, as well as that of Sir Henry Campbell-Bannerman, that one-third of the people of Great Britain are at present underfed—that 13,000,000 men, women and children in the British island have not sufficient to eat every day. I have here the statement of Mr. Chamberlain endorsing that of Sir Henry Campbell-Bannerman, to the effect that out of every seven workingmen in Great Britain now at the age of 25 who reach the age of 65, three will have to go to the workhouse. Is it surprising, therefore, that the people of Great Britain should refuse, even were they to derive great advantages within a few years, to have the price of their food increased to-day, when on that price depends the life or death of one-third of the population?

But there is more than that. The people of Great Britain have not lost the sentiment of the balance of government. Happily for us, they know that the British empire has been built, both in commercial and military matters, upon the sound principle of decentralization, of the self-government and the independence of the different parts of the empire. They know that the only way by which the empire can stand together is to have the legislative tie as slender as possible for the slenderer that tie will be the stronger will be the sentimental tie. It has been rightly stated in England that Mr. Chamberlain wanted to bribe the colonies. Let me say here to the leader of the opposition and the hon. member for Toronto (Mr. Kemp), and to all those hon. gentlemen who have so often taxed me with disloyalty, that if their loyalty requires to be bribed by the British government at the expense of the food of the British people, my loyalty and that of my compatriots, the French Canadians, is made of different stuff. We are loyal to the British flag and the British crown and British institutions, without being paid for our loyalty at the expense of the lives of 13,000,000 of the British people. We do not want to be bribed, but at the same time we do not want to be deprived of any of our liberties; and I believe that I am expressing here, not only the sentiments of French Canadians, but the sentiment of the large majority of the population of Canada, if the policy of Mr. Chamberlain were exposed to them as it is in reality, and not as they suppose it to be. It may be asked: But how is it, if Mr. Chamberlain's scheme is so disadvantageous to the colonies, that the colonies appear to be so much in favour of it? Well, that is easy to explain. Consider first the conspiracy of the press. Where is the newspaper in Canada which has shown up to our people the policy of Mr. Chamberlain as it is shown up in England? We have a few weekly papers which have done so, but not one of the large party papers has exposed this policy in its true aspect. What we have had is nothing but the sentimental and noisy arguments of the case—the sentiment of imperialism—and there is no worse bottom for making a good bargain than that of sentiment. My hon. friend from Toronto should not forget the rebuke that he and some of his colleagues were given at the last congress

of the Chambers of Commerce in England during the South African war, when an attempt to induce the Scotch and English members of that body to pass a resolution in favour of preferential trade was met with the protest of a good Scotchman, who stood up and said: Our colonial friends should understand that sentiment is one thing and business another. We have also the strange attitude of leaders of both parties, who are afraid to show up the policy of Mr. Chamberlain in its true light. I am happy to say in the presence of my hon. friend the Minister of the Interior (Mr. Sifton), that the first comprehensive declaration on the subject made by a leading statesman of this country was made by him when he showed the people of Canada, by his speech at the Canadian Club last fall, what the consequences would be if Mr. Chamberlain's policy were adopted.

If hon. gentlemen want to know what mischief bogus sentiment can accomplish, let them go back to the time of the South African war. At one time if any one were to stand up in this country—not in England, because in England there is free speech—and say that the South African war was unjust, he was exposed to be denounced for disloyalty. I have had some experience in that line. The South African war was supposed to be a crusade for justice and equal rights, and it was most disloyal heresy to take the opposite view. But to-day, when the war is over, people are beginning to see through its hypocrisy, and we find now that the last word of that war is the introduction, under the British flag, of yellow slavery into that country ; and those who stood against that war have no reason to be ashamed of the stand they took, either as Canadians or British subjects. It is as a British subject, proud of my British citizenship, and as a Canadian devoted to Canada first and to Great Britain afterwards—devoted first to the country of my birth and the people whose interests I have been sent here to represent —it is as a Canadian and a British subject, desirous of remaining at peace with Great Britain and of seeing this country of ours develop and prosper rapidly, and become more and more every day the brightest jewel in the British crown—it is because I desire to see this country fulfil all the promises of its past and grow and prosper in that spirit of liberty with which the very air we breathe is impregnated—that I have stood and will continue to stand as a determined opponent of Mr. Chamberlain's policy. What I have to say to the leader of the opposition on that question and, in a milder way, to the Minister of Finance——

Mr. SPROULE. Hear, hear.

Mr. BOURASSA. Yes ; because as far as that question is concerned, his deeds are better than his words. What I have to say is this. I think we should make it clear, both in England and here, that the Canadian people are ready to go a long way in order to have the best trade relations with Great Britain and make the best trade arrangement with the motherland and our sister colonies—and in doing that the government will find no more hearty supporter than myself—but I think it is about time, to paraphrase the eloquent language of the First Minister, that upon this as upon any other issue, we should look to the interests of Canada first and last.

I hope this will be the last time I shall hear it said in this House that I am an opponent of British connection or of good relations between Great Britain and Canada. I hope that it will be the last time at least when I shall hear such a charge from a gentleman of the standing of the hon. the leader of the opposition. The others I do not mind any more than I mind those newspapers which have taken up the habit of garbling words and of painting men under false colours, so as to gain a party success which they could not gain by discussing public affairs in a fair spirit and by describing men and their opinions as they are, and not as they would have them. As far as the people I represent are concerned, we are ready to make the best of arrangements with Great Britain, but at the same time we want it known that neither in political or military matters are we to consider any interests as superior to our own ; that the best service we can render to Great Britain, in our opinion, is to develop our country, to keep its population here, to bring in population from outside, especially from the United Kingdom. If Great Britain wants to have a strong foothold in America, she cannot gain it by closing our manufactures in order to give employment to the workmen of England ; but she can gain it by sending here the best of her sons to till our soil, and by sending capital to make use of our water-powers, instead of leaving it for Americans to come over here and Yankeefy this country. If Great Britain wants to keep the empire safe, she cannot do it by urging us to give our money towards the support of the British army and the British navy, nor by asking the people of the colonies to enroll themselves in the army and the navy. No ! On the contrary, she will keep the empire safe by maintaining a policy of peace and harmony with other nations and by allowing the colonies to develop themselves under the inspiration of the splendid principle of liberty which was introduced here with the British flag, and of which we French Canadians are as proud as any English speaking member of this House, or as the people of any constituency in Canada. Let the principle recognized be the principle of decentralization; let population grow ; let industries develop ; let Canada look to herself, New Zealand look to herself. Australia look to herself. Cape Colony look to herself. So will the empire be safer than by breaking up the old fabric that has stood so long the battle

and the storm, and won the admiration of the world, rather than by following the footsteps of the German empire or the Roman empire, which sacrificed the provinces, the weaker parts, for the benefit of the centre. The principle of decentralization is the bottom principle of the British empire, and Mr. Chamberlain should be plainly warned that the colonies will resist to the last his efforts to change the empire. While I am happy to support the budget of the government I hope that the time will come when the government will make the opinion of Canada known to Great Britain, and, as was said by the Prime Minister, let the Canadian policy be one to express the views of the Canadian people and for the maintenance and protection of Canadian interests.

Mr. JAMES J. DONNELLY (East Bruce). I have listened attentively to the speech of the hon. member for Labelle (Mr. Bourassa) and was glad to learn from his opening remarks that there is at least one gentleman on that side who appreciates the benefit this country had derived from the tariff policy introduced by the late Sir John A. Macdonald and the Conservative party in 1878. The hon. member appears to be very favourably impressed with the proposition of the government to appoint a commission to consider the tariff. I am inclined to think that many other hon. members on that side are also favourably impressed with the proposition, and especially so in view of the general election, because they will now be able to go into high tariff districts and preach high tariff, and into low tariff districts and preach low tariff. The greater part of the hon. member's speech was what might be called a personal explanation of his views in reference to the tariff policy of Mr. Chamberlain. I shall not deal with that. I think that at this late hour, hon. members are not in the humour to listen to long speeches. I shall endeavour to condense my remarks as much as possible.

During the course of this debate much has been said in reference to the present prosperous condition of the country. We on this side of the House are as proud of the present prosperity of the country as hon. gentlemen on the other side can be; but it still remains for supporters of the government to show that the present prosperity is, to an important extent, due to any efforts of the present government, unless we give them credit for adopting the tariff policy which they strongly opposed when in opposition. We have had placed before us the diagram showing the increase in the exports of the country. I have looked up the items in the report of the Department of Trade and Commerce, and I find that one of the principle items is wheat. In 1896 we exported 9,919,542 bushels of wheat. Last year 1903 we expoted 32,985,749 bushels. Here is an increase of no less than 23,000,000 bushels. What has the present government done to bring about the present increase in wheat? Very little that I am aware of. The Conservative party, under the leadership of the late Sir John Macdonald, secured the construction of the Canadian Pacific Railway into our western country. The early settlers who went into that country were men of small means, and, for a time, there was no marked increase in the export of wheat But, in course of time, they went into wheat growing on a larger scale and their success encouraged men of capital to go into the business upon a scale larger still. The result was there has been a marked increase in recent years in the export of wheat. The following figures show the increase of our exports in the three important staples:

Exports	1896.	1903.
Cheese..	13,956,571	24,712,946
Bacon..	$ 4,381,968	$15,906,334
Cattle..	7,082,542	11,342,632

So that, in the three items that I have mentioned, we find a total increase of about $24,000,000. The increase in the lines that I have mentioned are largely due to the improved conditions of farming and also the bountiful harvest with which Providence has blessed us.

It seems to me that the government have taken a step in the right direction by increasing the minimum valuation upon horses imported. But, to my mind they have not gone far enough to prevent altogether the importation of American scrub horses. Under the change they have made, the minimum duty on horses will be $10 per head, while the minimum duty on Canadian horses going into the American market is $30 per head. In 1903 there were several carloads of low grade horses brought from the western states into the county of Bruce. This would be of comparatively little disadvantage if they were used for work only, but the danger is they may be used for stock raising, and in that case there is danger from the inferior breed of horses. The horse breeders of Ontario have expended large amounts of money introducing from Great Britain the best breed of horses to be had, and it is very important that the strain of our horses should be kept up.

The government by their increase in the duty on woollens have shown that they have at last come to the conclusion that a little protection may be a good thing for a languishing industry.

I wish to say a word or two with reference to the furniture industry. During the present session I met a deputation of prominent furniture men who came here to interview the government. They told me that what they wanted was to have the same duty placed on American furniture coming into Canada as is now placed on Canadian furniture going into the United States. In western Ontario at the present time, there is a large amount of capital invested in establishments for the manufacture of furniture, which manufacture

appears to be a natural industry in this country. We have the raw material in the shape of timber, and the industry gives employment to a large number of persons and thus creates a home market for the products of the surrounding farm.

Where we find prosperous manufacturing industries we ought to find prosperous towns and villages. Where we find manufacturers prospering we find land values increasing. From the report of trade and commerce I find that we exported to the United States furniture in 1903 to the value of $14,754, while we imported furniture from the United States to the value of $518,217. In other words, we paid to the Americans $35 for furniture for every $1 that were received from them. And yet, Sir, this government refuses to grant to our furniture manufacturers the same degree of protection that the American people give to their furniture manufacturers. Speaking as a farmer, I wish to see not only our farmers protected but our manufacturing industries protected also. We are often told that the price of farm products is governed entirely by the British markets, I cannot agree with that statement. If that is so, how is it that land lying within twenty miles of the city of Toronto sells for $100 an acre, while an acre of land equally productive in the outlying districts only brings $45 per acre ? The British market is open to the products of both districts. To my mind the reason is because the land surrounding the city of Toronto finds a market for its products in that city, and the same principle applies throughout Canada.

Mr. HORACE HASZARD (West Queens, P.E.I.). I do not intend at this late hour to repeat to any extent the figures which were so ably presented by the hon. the Minister of Finance in his budget speech, and also by the Minister of Trade and Commerce. To my mind the budget speech should satisfy every man in Canada regardless of his politics if he has the interest of his country at heart. I agree with the Minister of Finance in his reference to one or two unfavourable conditions which existed during the past winter, owing to the severe weather, the heavy snowfalls and the late opening of navigation. But I think experience has shown that long winters with heavy snowfalls, although they delay the opening of navigation, have resulted in rich harvests for the farms, the fisheries and the forests.

I think it is admitted on all sides that Canada is prosperous to-day as it never was before. The Conservatives admit that fact, the only question is as to who is responsible for the wonderful increase in our prosperity. In the first place we are all willing to grant that Providence has had a great deal to do with the remarkable progress of Canada, but we also claim that it is under the wise and judicious management of the Liberal party that these results have been attained. Time and again hon. gentlemen in the Conservative party have asked us to point out what the Liberals have done to bring about this wonderful progress. Well, Sir, if time permitted I could easily point out many things they have done. We know that the Minister of Agriculture, for instance, has done a great deal to increase the volume of our exports of cheese, butter and other articles that come under his purview. Those of us who are engaged in business cannot fail to witness the great increase of our trade with Great Britain in those lines.

Now I wish to deal with some remarks of the hon. member for Pictou (Mr. Bell) who undertook to reply to the Minister of Finance. He spoke in regard to the duty of kerosene oil, and stated that the Liberals ought to have taken that duty off years ago. I would like to know how that tallies with the remark of the hon. member for Lambton (Mr. Armstrong) who, in this House to-night, gave lengthy reasons why the duty should have been retained on kerosene oil. There are two distinct statements from the Conservative side that cannot be made to tally at all. So far as I am concerned, I shall be glad to go back to the people of my province and tell them that this government has reduced the duty on kerosene oil, because I know it will result in benefit to our people. The people in my riding were told in the last election campaign that when the Liberals came into power they promised to reduce the duty on kerosene oil, but instead of cutting it down by one-half they only reduced it by one cent a gallon. Now, I am glad to find that the government have seen fit, in the interest of the farmers and the labouring classes generally, as against a few rich manufacturers, to make a further reduction in the duty of kerosene oil. In other ways also I think this government have dealt with questions affecting the public people in a way that is commendable. Although I do not think it is necessary to protect the woollen industries to any great extent, still I am glad that the government have granted some relief to some of those industries which, I am told since I came here, are suffering. At the same time I wish to say that I believe that if those depressed woollen industries had adopted modern methods and modern machinery they would have been able to hold their own as well as some other woollen manufacturers in Canada are doing to-day. I could name woollen mills that are prospering to-day and were quite satisfied with the tariff as it stood before this last change. I have noticed that the Conservatives are greatly given to finding fault. If the duties are lowered they find fault. We are told to-day that taking the duty off binder twine had a bad effect. That question has been so fully dealt with thata- I am not going to enter

into it. I have also noticed that when the duty was slightly increased the Conservatives found fault also on that score. Tobacco has been mentioned time and again, but I think the Minister of Inland Revenue has made a very satisfactory explanation in that regard this afternoon.

I need not take up the time of the House in talking about that at any further length. I notice that the hon. member for Pictou (Mr. Bell) produced a table showing the increase in the exports of home products from 1896 to 1903. The increase in seven years was $108,251,674 or $15,464,525 per year, and he claimed that that was not a satisfactory showing. But, let us look on the other side of the question. In 1878 the total value of domestic articles exported was $67,989,800. It increased in 1888 to $81,382,072 or an increase in ten years of $13,392,272, being $2,072,253 less than one year under the Liberals. In 1896 it had increased to $109,915,337, showing a total increase in 18 years under Conservative rule of $41,925,537, or an average increase per year of $2,329,193. The hon. member for Pictou also claimed that the Liberals are adopting the Conservative policy excepting the cautious financing of the Conservatives. I do not think it necessary to dwell at any length upon that point for the reason that that is also a question that has been fully dealt with. If the hon. member for Montreal, St. Mary's (Mr. Tarte), had been in his seat when that hon. gentleman made his statement, I think he would have smiled as he had some experience as to how the Conservatives managed the finances of the country in years gone by. The Liberals have so managed the affairs of this country that notwithstanding the fact that the expenditures have been increased in nearly all of the departments, we have yet to hear from the Conservatives in this House or in the country any great attack on the Liberals on account of their expenditures. They know full well that any extra expenditure will be accounted for by the fact of there being greatly increased revenue. What are the conditions prevailing in Canada to-day ? There is full employment for willing hands at high wages. Our manufacturers are prospering as they never prospered before. Mortgages are being paid off as they never have been before and savings bank deposits have increased very largely. Has this prosperity which Canada is enjoying been world-wide ? The Conservatives have claimed that it has been world-wide, but my right hon. friend the Minister of Trade and Commerce (Sir Richard Cartwright) has very clearly pointed out that such is not the case. We have only to go to Germany, Russia, Australia and even the United States to find that the measure of prosperity which Canada is enjoying has not been world-wide. I was very pleased indeed to hear the statement of my hon. friend the Minister of Finance that a commission would be appointed to revise the tariff at an early day. I think this is a very practical way of dealing with the affairs of this country. I do not know that anything better could be done. As has been pointed out, the Conservatives some years ago, appointed a commission to deal with this matter which was not satisfactory, but I think we have already learned that the commissions appointed by the Liberals since they came into power, have produced good results, and I think we ought to feel quite satisfied that in the different provinces we can make some suggestions to the hon. Minister of Finance when the time comes, that will be valuable to him and beneficial to the country. Hon. gentlemen opposite would, no doubt, like us to adopt a policy of high protection, but they are not willing to grant that any changes should be made from time to time, claiming that the policy of high protection should be, like the laws of the Medes and Persians, unchangeable. I think that changed conditions require that the tariff should be modified or changed from time to time. Sir, a policy of moderate taxation and general good government such as the Liberals have adopted and which has increased the total volume of the trade of Canada from $230,000,000 in 1896 to $459,000,000 in 1903, should satisfy all true Canadians who place country before party. As has been pointed out by my right hon. friend the Minister of Trade and Commerce, the Canada of to-day is as far apart from the Canada of 1896 as the Canada of 1866 was from the Canada of 1896. I think that very aptly illustrates what has been done since the Liberals obtained power in 1896. Fault has also been found with the preferential tariff as arranged by the Liberal party. It has been claimed that it was not made absolutely perfect and that it did not anticipate every possible contingency from the outset, but hon. gentlemen opposite do not dare to question the advantage it has been to us in setting an example to the world. Several hon. gentlemen have already dealt somewhat fully with that question. I am only going to say that if nothing else ever came from that preferential tariff than the advantages we are experiencing to-day, I would consider that it had achieved very great results. Its advantages are well known to those who have had any experience in exporting to the markets of Great Britain. During the last three or four years, or since this preference has come into force, the products of this country have received a much greater share of attention in Great Britain than they ever did before. I have had a good deal of experience in shipping to the markets of Great Britain the products of this country, and I am proud to say that we have been able to reach a higher point for our cheese and butter than has been reached in almost any part of the world or by countries, at any rate, which have been shipping to the markets of Great Britain. I also know that no person need

have any better passport to Great Britain than to call himself a Canadian. That is no doubt the result of the good feeling which has been brought about by the Canadian government in offering this concession to the people of Great Britain. I was also very glad to notice that even the surtax on German goods has had a very beneficial effect in having already turned aside a good deal of trade in sugar from the German market to that of the West Indies. We know very well indeed that only a short time ago the British West Indies were on the verge of bankruptcy, and we believe that the surtax on German exports will add immensely to the welfare of the West India Islands. I think that is something we ought to feel proud of, because whatever else may be said we do hope and feel that we would like to see all of the British possessions enjoying as large a measure of prosperity as is possible.

Now, Mr. Speaker, for a short time I am going to try and point out to some little extent the reasons why I am of the opinion that this country should not adopt a high protection policy. We have been told from time to time that it is necessary in order to protect ourselves against the United States and other protectionist countries, but still I am one of those who hold strongly to the opinion that tariff wars are not conducive to the well being of any country, but that on the contrary they are detrimental to the business of any country. I do not believe there would be any good in the world in our undertaking a tariff war with the United States or any other country. Let us look for one moment at what is known as free trade England, and let us see whether or not it would be advisable for us in the face of all that has been going on in that great country to range ourselves with the protectionist countries.

Notwithstanding that during the past few years an immense amount of money had to be obtained in Great Britain for war purposes, and notwithstanding that the Chancellor of the Exchequer had to increase the income tax and obtain revenue in other directions, the trade of Great Britain is in a better condition to-day, than at any other time in the history of the motherland. The year 1903 has been a record year, as the following comparative statement from the Board of Trade returns will show :

	Imports (C.I.F.) including bullion and specie.	Exports (F.O.B.)
1901..	£521,990,198	£347,864,268
1902..	528,391,274	349,238,779
1903..	542,906,325	360,457,316

The total trade of Great Britain for 1903 amounted to £903,000,000 sterling or £25,000,000 more than in any previous year. It may also be noted that in some of our exports to Great Britain for the year 1903, Canada has taken a leading place. We exported to Great Britain during that year, cheese to the value of £4,820,000 sterling, out of a total importation to England of £7,054,000, and I am glad to say that Canada headed the list of the countries which exported cheese to England. In wheat, the supply from the United States to Great Britain declined from 43,000,000 cwts. in 1902 to 24,000,000 cwts. in 1903. Canada increased her exports of wheat to Great Britain from 9,500,000 cwts. in 1902 to 10,800,000 cwts. in 1903, but as the total quantity of wheat received in 1903 in Great Britain amounted to 88,000,000 cwts. it will be seen that there is still ample opportunity for utilizing the 171,000,000 acres of land suitable for cultivation in Manitoba, Assiniboia, Saskatchewan and Alberta as estimated by Professor Saunders, director of the experimental farm.

The imports of butter to Great Britain in 1903 were valued at £21,000,000 sterling, and the value of the eggs imported was £6,617,000. If time permitted I could enumerate many other articles for which Great Britain affords an almost unlimited market. Let me call attention to the important fact that the exports from Great Britain last year all increased, with the exception of one item, viz., telegraph cables and apparatus. There were increased exports in iron and steel manufactures, machinery and mill work, cutlery and hardware, cotton, yarn and textiles, glass manufactures, chemicals, woollen goods, yarns and smaller commodities. This would show that the trade of the United Kingdom is on a sound commercial basis, while the trade of protected Germany has lately undergone a severe crisis. Sir Robert Giffen in a report made in 1888 reviewed the relative progress of the United Kingdom and Germany, and he showed that in Europe, Germany was running Great Britain hard in northern Europe and France in southern European countries, but yet the general proportion of trade for Great Britain was higher than for France or Germany, and outside of Europe the preponderance of the United Kingdom was beyond question, while in the British possessions it was overwhelming. A similar review of the conditions in 1894, 1897 and 1902 gave the same results. The German imports to Great Britain increased in cotton, woollen goods, glass, iron manufactures. In 189611900 the cotton imports from Germany into Great Britain averaged £698,000, whereas the total export from Great Britain to all countries amounted to £58,000,000 sterling. I am mentioning these things to show that though it is frequently stated in this chamber that in order for a country to be prosperous the imports and exports should about tally. That is not the case in the prosperous motherland. The imports there are far in excess of the exports, and yet Great Britain is prospering as it never prospered before. Large importations to a great extent mean the employment of the people, and it is even claimed by British

statesmen that imports enrich a country. I do not know if that could be applied to my own province, for Prince Edward Island is not a manufacturing centre, but wherever manufactures are carried on elsewhere in Canada, I feel it is not a bad sign of the times that the imports should increase to a greater extent than the exports, because when we import largely of goods we cannot produce in Canada, it certainly means employment for skilled mechanics and labourers. I think this contention will be apparent if the facts are looked into carefully. If time permitted I think I would be able to prove that the experience of France, Germany and Russia as well as other countries has not been such as to warrant the contention of the opposition in this House, that generally throughout the world, good times have prevailed and all countries have been prosperous. I am glad to be able to believe that among all countries in the world, our own land has been exceptionally prosperous. Now, Mr. Speaker, I do not wish further to intrude on the indulgence of hon. gentlemen, but I cannot close my remarks on this first occasion I have had the honour of addressing the House, without referring to a statement made by the hon. member for Pictou (Mr. Bell) in regard to the admission of Newfoundland into the confederation. I am sure we would all be most pleased if that desirable object could be obtained. I trust the time is not far distant when the government will see its way clear to take the matter up seriously. There is in the lower provinces especially, a strong feeling that the admission of Newfoundland into confederation is absolutely necessary to complete this great Dominion of Canada. The area of Newfoundland is 42,000 square miles, one-third of which is in lakes and waterways, leaving 28,000 square miles of territory, 25 per cent of which is suitable for agriculture. This would lead us to believe that not only from the sentimental standpoint, but also from considerations of material gain, it would be well that Newfoundland should become one of the provinces of the Dominion. I had the pleasure of listening the other evening to a very able speech by the Hon. Mr. Morine, the leader of the opposition in Newfoundland, and I was much impressed with what he said . But I did not quite agree with his idea, that Canada should make an offer to the people of Newfoundland to come into confederation. I fear that such an offer would be unavailing at the present time, but I do hope that at no distant day, a joint commission will be appointed by Newfoundland and Canada to discuss the matter in its different phases and to arrive if possible at a result, which will redound to the mutual welfare and future happiness of both countries.

I feel that that would not only help us in every way, but, looked at from a maritime standpoint, it would enable us to add something to the strength of the maritime provinces in having added to this Dominion about ten representatives. We are now losing some of the representation of the maritime provinces, while we are adding to the representation of the great Northwest. We are all proud to know that the west is growing so rapidly that that is necessary ; we are all proud to know that that great part of Canada is coming to the front. At the same time we cannot but regret that the maritime provinces are losing some of their strength owing to their population decreasing, and for that reason we look upon it as important that Newfoundland should, if possible, be brought into the Dominion.

At this hour of the night, Mr. Speaker, I will not attempt to make any further remarks ; but I shall hope to have the opportunity, when the estimates are being discussed, of perhaps concentrating my ideas to some better advantage, and making a speech at a time when I shall not feel so uncomfortable in detaining hon. gentlemen as I do at this late hour.

House divided on amendment of Mr. R. L. Borden.

YEAS :

Messieurs

Alcorn,	Ingram,
Armstrong,	Kaulbach,
Avery,	Kemp,
Barker,	Kidd,
Bell,	LaRivière,
Bennett,	Lavell,
Birkett,	Lefurgey,
Blain,	Léonard,
Borden (Halifax),	McGowan,
Broder,	Monk,
Bruce,	Morin,
Carscallen,	Northrup,
Casgrain,	Osler,
Clancy,	Pope,
Clare,	Pringle,
Clarke,	Reid (Grenville),
Cochrane,	Richardson,
Culbert,	Roche (Marquette),
Daniel,	Rosamond,
Donnelly,	Sproule,
Earle,	Taylor,
Gilmour,	Thomson (Grey),
Hackett,	Tolton,
Halliday,	Vrooman,
Henderson,	Wilmot, and
Hughes (Victoria),	Wilson.—52.

NAYS :

Messieurs

Angers,	Lavergne
Archambault,	Drummond & Arth.),
Bazinet,	Lavergne (Montmagny),
Beith,	Law,
Bickerdike,	LeBlanc,
Blanchet,	Lewis,
Borden (Sir Frederick),	Logan,
Bourassa,	Loy,
Bourbonnais,	Macdonald,
Brodeur,	Mackie,
Brown,	MacKinnon,
Bruneau,	MacLaren (Huntingdon),

Bureau,	Macpherson,
Calvert,	McCarthy,
Campbell,	McCool,
Carbonneau,	McGugan,
Champagne,	McIsaac,
Christie,	Malouin,
Copp,	Marcil (Bagot),
Costigan,	Marcil (Bonaventure),
Cowan,	Matheson,
Davis,	Mayrand,
Delisle,	Meigs,
Demers (Lévis),	Mignault,
Demers (St. John),	Monet,
Desjardins,	Morrison,
Erb,	Mulock (Sir William),
Ethier,	Murray,
Fielding,	Oliver,
Fisher,	Parmelee,
Fitzpatrick,	Paterson,
Fortier,	Préfontaine,
Gallery,	Proulx,
Galliher,	Puttee,
Gauvreau,	Reid (Restigouche),
Geoffrion,	Riley,
German,	Rivet,
Gervais,	Ross (Ontario),
Gibson,	Ross (Rimouski),
Girard,	Ross (Victoria, N.S.),
Gould,	Ross (Yukon),
Grant,	Rousseau,
Guthrie,	Russell,
Harty,	Schell,
Harwood,	Scott,
Haszard,	Sifton,
Heyd,	Sinclair,
Holmes,	Smith (Vancouver),
Hughes (Kings, P.E.I.),	Stephens,
Hyman,	Stewart,
Johnston (Cape Breton),	Talbot,
Kendall,	Tobin,
Lang,	Tucker,
Laurier (Sir Wilfrid),	Turcot,
Laurier (L'Assomption),	Turgeon, and Wright.—110.

PAIRS :

Ministerial.	Opposition.
McEwen,	Sherritt,
Emmerson,	Fowler,
McColl,	Ward,
Wallace,	Tisdale,
Dyment,	McCormick,
Sutherland (Oxford),	Haggart,
Cartwright (Sir R.),	Tuppper (Sir C. H.),
Lovell,	Kendrey,
Roche (Halifax),	Lennox,
Douglas,	Brock,
Wade,	Gourley,
Sutherland (Essex),	MacLaren (Perth),
Béland,	Ball,
Lemieux,	Roddick,
Power,	Johnson (Cardwell),
Lapointe,	Porter,
Charlton,	Maclean.
Dugas,	Ganong,
Johnston (Lambton),	Lancaster,
McLennan,	Smith (Wentworth),
Thompson (Haldimand),	Boyd,
Tolmie,	McIntosh.

Amendment negatived.

Mr. HASZARD.

Motion agreed to on division, and House went into Committee on Ways and Means.

Progress reported.

LORD DUNDONALD'S SPEECH.

Sir WILFRID LAURIER. Mr. Speaker, before the House adjourns I beg, by command of His Excellency, to lay on the table of the House certain papers respecting the removal from office of the Earl of Dundonald, and I beg at the same time to move that the papers be printed and that rule 94 be suspended.

Mr. R. L. BORDEN. Before the motion is put, I would like to inquire whether or not the papers include all letters written by the Minister of Agriculture to the Department of Militia, as well as to the proposed officers in the regiment—with respect to their political opinions, for example ; because if we are to have a record of the correspondence, the result of the interference of the Minister of Agriculture in this matter, we ought to have a complete record, and not any partial statement, such as that which was presented to the House the other day, and which was contradicted by the Minister of Agriculture himself when he came to speak on the subject. Therefore, I would ask my right hon. friend whether we are to have everything, or only such documents as it suits the purpose of the government to produce ?

Sir WILFRID LAURIER. I may say to my hon. friend that it suits the purpose of the government to produce everything. My hon. friend has no right to assume anything else. I may say that the papers which I produce to-day are not complete, but we propose to bring some others to-morrow.

Mr. R. L. BORDEN. Am I to understand then, that it is the intention of the government to produce, without evasion and without equivocation, all letters which have been written by the Minister of Agriculture with respect to this matter, whether to persons connected with the Department of Militia or to persons proposed as officers in this regiment, in order that the House may judge of the character of the interference which undoubtedly he did make in the affairs of this regiment. That is what I would like to know, and I think I have a right to ask my right hon. friend, because without that the record will not be complete.

Sir WILFRID LAURIER. I have to say to my hon. friend that it is the purpose of the government in this instance, as in all instances, to bring down, without evasion or equivocation, all papers which are on record and on file connected with this matter.

Mr. R. L. BORDEN. But I want my right hon. friend to understand that I am not satisfied with all papers that are on file in the Department of Militia. The letters of the Minister of Agriculture to which I refer,

and of which evidence can be produced if necessary, are not on file in the Department of Militia ; but, nevertheless, they have been written and do constitute an interference by the Minister of Agriculture in the affairs of this regiment. All I am asking and want to know is whether it is the intention of the government to produce these as well as the documents on file in the Department of Militia ? Because I venture respectfully to submit to my right hon. friend that without those documents the record which the country will desire to receive will not be complete.

Sir WILFRID LAURIER. I can add nothing to what I have said already, and I am sure the Minister of Agriculture is as anxious to produce everything as I am, because he has nothing to hide in reference to this matter.

Mr. R. L. BORDEN. All I have to say is that if the government will not produce all of those letters, I will endeavour to supplement the return myself.

Sir WILFRID LAURIER. Then I understand there has been some interference with the Department of Militia on the part of my hon. friend.

Mr. R. L. BORDEN. My right hon. friend has no reason to suggest anything of the kind, because I have told him—and he understands it, if he understands the English language at all——

Mr. SAM. HUGHES. He does not.

An hon. MEMBER. Foreigner.

Some hon. MEMBERS. Order.

Mr. R. L. BORDEN. He understands that the letters to which I refer are not on file in the Department of Militia, but their existence has been public property in certain communities in this country for many days past. The Minister of Agriculture knows of them and has copies of them I have no doubt. They are not documents which are on file, but they constitute an interference by him, and I would think it only fair, if the government propose to make a complete, fair and truthful record of this matter, that these documents should be produced as well as those which are on file. That is all I venture to suggest, and I trust that my right hon. friend will not regard me as unreasonable in making that moderate request respectfully and sincerely so that the House and the country may have an opportunity of judging fairly in this matter.

Motion agreed to.

ADJOURNMENT—BUSINESS OF THE HOUSE.

Sir WILFRID LAURIER moved the adjournment of the House.

Mr. R. L. BORDEN. What business will be taken up to-morrow ?

Sir WILFRID LAURIER. Bills first of all and then if possible supply.

Mr. R. L. BORDEN. What particular Bill will be taken up ? I am only desirous of knowing whether one of importance, the Militia Bill, will be considered.

Sir WILFRID LAURIER. Not quite sure, but perhaps so.

Motion agreed to, and House adjourned at 12.35 a.m., Thursday.

HOUSE OF COMMONS.

THURSDAY, June 16, 1904.

The SPEAKER took the Chair at Three o'clock.

GRAND TRUNK PACIFIC—ALIENS EMPLOYED ON SURVEYS.

Mr. E. F. CLARKE. The Postmaster General (Sir William Mulock) was good enough to inform us yesterday that he would make a statement to-day respecting the bringing down of some further correspondence in relation to questions between the Association of Engineers and the government as to the employment of aliens. Is the hon. gentleman prepared to make that statement to the House ?

Hon. Sir WILLIAM MULOCK (Postmaster General). I do not know if the hon. gentleman quite appreciates what I said. The hon. gentleman intimated yesterday that all the correspondence had not been brought down, and I stated that I would make inquiry upon that point and inform the House. I have made that inquiry, and I find that the Department of Labour, over which I preside, made a return which included all the correspondence that was available, but that there may have been some, I think two or three letters, that had been forwarded to the Department of Railways and Canals. My deputy informs me that he understood the Department of Railways and Canals was also in possession of some correspondence. There has been some correspondence, one or two letters since. There was an order made yesterday, and my department is now collecting everything that has not been brought down since the last return, and I suppose that in a day or two that return will be made.

Mr. CLARKE. Will the Department of Railways and Canals bring down the correspondence it has ?

Sir WILLIAM MULOCK. We ought to have it all grouped together in one department, I presume. I will endeavour to have it all included in one return.

DISMISSAL OF LORD DUNDONALD.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). Before the Orders of the Day are

called, I beg to say that, as I stated to the House yesterday, that some further papers would be brought down with respect to the removal of Lord Dundonald, these papers will be brought down before the close of the present sitting of the House.

Mr. R. L. BORDEN. I presume they will include all that I have asked for ?

Sir WILFRID LAURIER. Yes.

INQUIRY FOR RETURN.

Mr. URIAH WILSON. Before the Orders of the Day are called, I would like to ask the Postmaster General (Sir William Mulock) if he is ready to give me an answer in reference to the letter I spoke to him about yesterday ?

Hon. Sir WILLIAM MULOCK (Postmaster General). The hon. gentleman yesterday inquired whether I had received certain letters from a certain named person in connection with a certain matter, and I told him I would make inquiry upon the subject and make a statement to the House. This inquiry has reference to an order of the House made for a return of the correspondence upon a certain subject. The department has made a return in compliance with the order of the House, and every paper that is properly produceable before this House under that order has been produced. I do not think it would be proper for me to give categorical answers as to whether I have or have not received certain correspondence. If that correspondence is of a public nature it belongs to the public, if the correspondence is of a private nature no person has a right to inquire whether such correspondence has been received.

Mr. WILSON. I may be allowed to say to the Postmaster General that I have obtain from Mr. Prest permission authorizing the Postmaster General to remove the word 'private' from that correspondence. I wrote a note to the Postmaster General asking if he would be good enough to give me a copy of the letter. I have also information that Mr. Walker wrote three letters, and none of these letters were private.

EXTENSION OF THE FISHING SEASON.

Mr. A. C. BELL. Before the Orders of the Day are called, as I see that the Minister of Marine and Fisheries (Mr. Préfontaine) is in his place, I wish to ask him if he has received any communication from the fishermen asking for an extension of time for the taking of lobsters on the coast east of Halifax ? I understand that the fishermen have not been doing much this season. I have some correspondence myself upon the subject, and I would like to know what information the minister can afford us upon it.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). I have received several requests for an extension of the time of the fishing season, and the government are considering that matter at the present time.

PAPERS *RE* ALASKA BOUNDARY AWARD.

Mr. R. L. BORDEN. I do not know what progress has been made in the preparation of the documents which were to be brought down in connection with the arbitration respecting the Alaska boundary. A few months ago the Prime Minister informed us that these documents would all be brought down, and I then suggested that they be brought down in such a way that we could readily understand what the proceedings were, and what the issues had been before the commission, in order that we might be able thoroughly to appreciate the whole question. It seems to me that the papers might have been brought down and printed within the period that has since elapsed. There may be reasons for the delay that I do not know and which have not occurred to me. But in the ordinary course, the period of a few months would seem to have been sufficient for the preparation of the return. The government are now proposing to take every day as a government day, and therefore we are not in a position to put any motion upon the order paper in regard to that matter if we desired to do so. I would therefore suggest that the Prime Minister should expedite this matter as much as possible. Perhaps he would now inform us when we may expect it ?

Sir WILFRID LAURIER. Not later than next week, probably the middle of the week.

THE INSPECTION AND SALE OF SEEDS.

Bill (No. 125) for the inspection and sale of seeds (Mr. Fisher) read the second time, and House went into committee thereon.

Mr. CLANCY. I would say that before we proceed with this Bill the hon. Minister of Agriculture (Mr. Fisher) promised to bring down the recommendations made by certain persons outside, and any expressions of opinion received in regard to it. The hon. gentleman has not been good enough to favour us with those yet.

Mr. FISHER. I think that what my hon. friend (Mr. Clancy) alludes to is the way in which this Bill was distributed amongst the people to give them an opportunity of studying it during the last recess and also an epitome of the expressions of opinion received from the people to whom this Bill was sent. I have here in my hand a statement of the distribution as made of 32,000 copies of this Bill. We sent out the Bill for the purpose of eliciting an expression of opinion from the people who are interested in it, in the following way : To seed merchants in Canada, wholesale and retail 6,500 copies, to all the members of the Dominion Seed Growers' Association 430

copies, to all the officers of the different farmers' institutes, agricultural societies and farmers' clubs in all of the provinces, 6,340 copies, to newspapers in all provinces together with newspaper bulletin 970 copies, to members of parliament 210 copies, exchange list, that is experimental stations abroad, 230 copies, to individual applicants 550 copies, per department farmers' mailing list and to lists of members of agricultural organizations whose names were in the department, about 15,500 copies, in store about 1,270 at the date this memorandum was made out. I might in explanation, say that arrangements were made with the superintendents of the farmers' institutes in each of the provinces so that one man on each deputation or delegation was instructed to discuss the subject at every meeting. They were provided from the office of the seed division here with printed charts, with samples of various seeds and summary information showing the results of the investigations in the seed laboratory of the department here. There were about 900 of these farmers' meetings held. We have no absolute definite information that this Bill was read and discussed at all of them, but the reports that have been received from the institute lecturers would indicate that it was discussed at all of them, and that there is a strong desire on the part of the farmers in Canada for an Act that will tend to suppress the evils connected with the seed trade. Twenty-seven of these reports have been received from agricultural lecturers each of whom spoke at a large number of meetings and they all clearly show that the provisions of the Bill were fully supported by the farmers at every meeting. The only suggestions that have been made by farmers were to the effect that the Bill should be made more stringent. A large number of letters commenting on the Bill have been received from individual farmers during the past two months, and in all of them there has been an urgent appeal for the passage of this Bill and asking that it shall be made law without any unnecessary delay. I may say further that no communication has been received from any farmer entering any protest at all, or in any way pointing out that the provisions of the Bill would hamper his operations. We have received communications from some 13 seedsmen, more than one letter from many of them. In some of these the provisions of the Bill were pointed out as being too stringent. Several of the seedsmen considered that having to label all packages of timothy, alsike and red clover seed would greatly hamper them in carrying on their business. Letters were received from two seed merchants in support of the Bill as it now stands. We received a number of resolutions that were passed by the following organizations: The Farmers' and Dairymen's Association of New Brunswick, on February 23, 1903; the Nova Scotia Farmers' Association on February 9, 1903; the Ontario Agricultural and Experimental Union on February 5, 1904; South Renfrew Farmers' Institute at meetings held at Brudenell, Killaloe, Stewartville, Loch Winnoch, White Lake, Burnston, Gratton, Mount St. Patrick, Shamrock and Renfrew, on February 27, 1904; the Central Farmers' Institute for British Columbia on April 27, 1904; the South Brant Farmers' Institute; resolutions adopted at different meetings held in the riding, February 29, 1904; the East Peterboro' Farmers' Institute on December 5, 1903; the Metchosen Farmers' the Farmer' Institute convention held at Indian Head, Assiniboia, Feb. 11, 1904; the Farmers' Institute convention held at Brandon, February 10, 1904, and Farmers' Institute meetings in Haldimand, Monck, Brant, Oxford and Norfolk, 33 meetings in all where after discussion, votes on this question were taken and resolutions passed. I am informed that there was no opposition to these votes.

Mr. CLANCY. Has the hon. gentleman the resolutions that were passed, and can he tell the committee whether these Farmers' Institutes propose to adopt the hon. gentleman's Bill or a Bill in this direction?

Mr. FISHER. We received a good many of these resolutions from the officers of these institutes, though not all of them. We also have letters from several others of the Farmers' Institute, lecturers who state in general terms that a large number of resolutions favouring the Bill have been passed by a number of local Farmers' Institutes. In these cases particulars have not been received by the department. The council of the corporation of Matsqui, British Columbia, have also passed a resolution. While I am on my feet, perhaps I may say a few words in general terms upon this Bill.

Mr. CLANCY. Before the hon. gentleman proceeds to explain, I would like to say that I must confess that I am somewhat disappointed at the information the hon. gentleman has given us. I am thoroughly in sympathy with a measure in the direction in which this Bill goes, but it was rather a surprise to the committee, I am sure, to me to learn that the hon. gentleman has received no support generally for his Bill, as it is, from localities in Canada the least interested in many features of this Bill. I would like to know, to what very great extent the maritime provinces and the western provinces are interested in the cultivation of clover for instance. I am surprised to find that the Bill has been so little endorsed generally throughout the country. We all know that when resolutions are passed at these meetings in favour of a Bill, such resolutions refer to the provisions of the Bill generally, and not to its details. I think there should have been more general ap-

proval before the Bill was presented to the House.

Mr. FISHER. There were in all thirty-three farmers' institute meetings.

Mr. CLANCY. How many of these passed resolutions ?

Mr. FISHER. A vote was taken in all of these, and there was no dissentient vote. These meetings were held in Haldimand, Monk, Brant, Oxford and Norfolk ; some of them large seed-growing counties in the province of Ontario.

Mr. CLANCY. Will the hon. gentleman be good enough to read one of these resolutions.

Mr. SAM. HUGHES. And at the same time state how many persons were present at each of these meetings ; as a rule there are about half a dozen.

Mr. FISHER. This is a specimen resolution which was sent from Burford, Ont., and it is written by I. T. Taylor, secretary of the South Brant Farmers' Institute, and addressed to myself :

Feb. 29, 1904.

Dear Sir,—At a series of Farmers' Institute meetings held in South Brant during this month, the subject of good seeds, and weeds was discussed, and the Bill called the Seeds Control Act introduced by yourself at the last session of parliament, was brought before the farmers and discussed. The following resolution was adopted at seven different meetings in the riding, and I was instructed to forward a copy to you :—

Resolved (re Seeds Control Act), moved by Thomas Parkes and seconded by Owen McAlister, that we, the members of the South Brant Farmers' Institute having been made acquainted with the provisions of the Seeds Control Act which was introduced in the House of Commons last session and laid over on account of opposition from seed merchants and other, and for non-support by those directly interested, desire to express our hearty approval of the said Act, believing that it would be in the direct interest of the farmers of the Dominion if such a law were placed on the statute-books, and that a copy of this be sent to our representative and also to the hon. Minister of Agriculture.

Mr. CLANCY. That looks like a stereotyped resolution prepared and carried around.

Mr. FISHER. I have no means of knowing anything of the kind ; it was not prepared and it was not stereotyped by any body in connection with my department. My statement is, I think, correct, that this Bill was discussed at several hundred farmers' gatherings of one kind or another since last session of parliament, and the opinion of the farmers expressed at these meetings was practically unanimously in favour of it. The hon. gentleman (Mr. Clancy) himself says that he is in sympathy with the principle of the Bill. There are several interests in the country which are affected more or less by this Bill ; there are the farmers who buy the seeds ; there are the men who deal in these seeds, retail and wholesale, and there are the producers of the seeds. The origin of this Bill was a feeling amongst the farmers that they had no means to protect themselves against paying for bad seed, and against the even far greater injury to them of sowing weed seeds instead of genuine seeds. This feeling was most insistent amongst the farmers of Quebec and the maritime provinces, who have suffered more than the farmers of the great province of Ontario in this respect.

Mr. CLANCY. Where did these bad seeds come from ?

Mr. FISHER. It is rather difficult to trace where they come from, but of course they are sold to the farmers by dealers. In the maritime provinces hardly any seed is raised for sale ; in Quebec a certain amount is raised for sale in a few localities, but the great bulk of the seed raised for sale in Canada comes from the province of Ontario. Most of that seed is raised in perfect good faith by the men who raise it. They raise it to the best of their ability under their present conditions and methods, for the purpose of selling it in a legitimate way. As a matter of fact, everybody knows, nobody better than the seed merchants who purchase it, that a great deal of that seed is not of first quality, but is mixed with weeds or other seeds, while a good deal is not well ripened and consequently is not germinal. I do not say this as any reflection on the men who raise the seeds. They have been carrying on this business for many years to the best of their ability and in a practical way ; but at the same time the results have not been what the purchasers of the seed had a right to expect.

Mr. CLANCY. The hon. gentleman knows that farmers generally have not in their minds the idea that the grain or seed they are growing is to be used as seed. Does the hon. gentleman mean the farmers or the seed growers, and to a large extent the seed merchants ?

Mr. FISHER. I was speaking more particularly of small seeds like the seeds of grasses and clovers. Seed grain is raised very frequently without any intention of it being sold for seed purposes.

Mr. CLANCY. So is clover.

Mr. FISHER. Sometimes clover is, although I am in the judgment of those who know the business when I say that in most cases it is grown for the purpose of being sold as seed.

Mr. CLANCY. Not at all.

Mr. FISHER. That is my opinion. The hon. gentleman may be right and I may be wrong.

Mr. CLANCY. In the locality where a great quantity of clover seed is grown I know that is not the case. Much of it is for export.

Mr. FISHER. Do I understand my hon. friend to say that it is grown for export, and not to be sold in Canada ?

Mr. CLANCY. Not especially. It is not grown to be sold as seed.

Mr. FISHER. I cannot accept that statement altogether. The man who raises clover seed, speaking of the large farmers, would probably at the outside require for himself a few hundred pounds, and he might very easily have a thousand pounds or more, perhaps several thousand pounds, and he certainly would not be cutting and thrashing all that and making it into seed for his own use alone. He would use as much as he wanted for himself, but a great deal of it would be sold. As a matter of fact, we know that in certain sections of the province of Ontario men raise large quantities of clover and grass seed for sale. Those men have been carrying on the business, I believe, to the best of their ability ; but old, cultivated land is frequently found to produce other seeds and weed seeds. The result is that a very large portion of the seed bought by the seed merchants has not been thoroughly cleaned before being put on the market, and is not of a quality which the purchaser would wish to take. Of the three classes chiefly interested in this business, we have first the producers, next those who buy the seeds from the farmers, the merchants, who clean the seeds and sell them again to farmers, retail merchants and jobbers. There are a number of great commercial houses in Canada engaged in this business. I think the great majority of them do their business excellently well. They do the necessary cleaning of the seeds. They have special machinery and appliances for the purpose. They sell to the local dealers, and these in turn sell to the farmers. My object in drawing this Bill, and in all these investigations and discussions which have preceded it, has been to try to secure for the farmers of the country as pure and good seeds as it is possible to get for them, keeping clearly in mind the necessities of the business in all its branches—to interfere just as little as possible with the course of this business and with the people engaged in it. I wish to avoid as much as possible interference with the ordinary channels of trade or the practices followed, except when those practices are not in the interest of the community. I want to state very emphatically that I do not think there has been intentional fraud on the part of those engaged in the seed trade in Canada. The men who grow seed grain and clean it necessarily obtain in that process different grades. They have the very best seed, that which is practically absolutely pure and germinal. Some merchants adopt standards, differing from others. Some divide their seeds into a greater or lesser number of grades and sell the seed according to its grade. The majority of farmers, I think, do not appreciate or understand the great difference there is in the purity and cleanliness of the different grades of seed. The result has been that a great many people, I will not say were intentionally inclined to be fraudulent, but as a matter of fact were selling to the farmers of the country grades of seeds which the producer, if he knew their quality, would not have thought of buying at the prices which he paid for them.

This condition of affairs is what justifies the passage of such an Act. It is impossible for the ordinary purchaser to be able to know that he is getting exactly the seeds he intended buying. In some things a man can judge what he is getting. If he buys a horse he can examine it and tell in a general way what it is worth. But the ordinary farmer, when he buys seeds, cannot tell whether he is getting good value, because in order to do so he would have to examine them under a microscope or powerful magnifying glass. He would require to know also the different varieties of seeds, and this therefore seems to me a legitimate case for the passing of a law to regulate transactions of this kind. After careful consideration of the question I brought in an Act last session, but the seed merchants think that its provisions are too stringent and have found that they could not carry on their business under it. I have therefore in the present Bill considerably modified the provisions of the Act in the direction desired by those engaged in the trade. I have not however gone quite as far as the seed merchants asked, for if I had, I would not be able to protect the purchasers. This subject is one of great importance to agriculturists and I am quite willing to adopt any suggestions which may make the law more workable and effective.

Mr. CLANCY. I am afraid that the hon. gentleman will not find that support for his Bill from public opinion which is necessary in order to make any law effective. The question has not been presented to our farmers in such a way that they could have an opportunity of giving their views upon it, but has simply been presented at institute meetings by men whose object was not to have the defects of the measure discussed but to have it extolled as something which could not fail to benefit the farmers. And the only support he has been able to secure for his Bill in its details is one which he took care to secure. All he has been able to produce is a copy of a resolution passed at an institute meeting in this province, but any one knows how easy it is

to secure an endorsation of that kind. I happened to be present at one of those meetings and I found that the farmers, instead of being invited to discuss the measure, were simply treated to an elaborate panegyric of it. Let me refer to the very first clause :

No person shall sell——

That prohibition applies to every man, whether he grows seed for himself upon his twenty-five acre farm or whether he is a large farmer or a dealer in seed, who may be buying and selling in the ordinary way.

No person shall sell or expose or have in his possession for sale for the purpose of seeding——

How is the minister going to determine whether a farmer has seed in his possession for the purpose of seeding or not? The thing is abolutely unworkable. Every one does not grow seed to sell as seed and, though the Minister of Agriculture may say that the Bill is adapted to the conditions, yet, without presuming to contradict the hon. gentleman, I may be allowed to humbly suggest that that does not settle the question—it is not proof. I venture so far as to tell the hon. gentleman that his Bill is based upon wrong principles, that is upon principles that cannot be reduced to practice in this everyday world. If the hon. gentleman wished to provide against seed merchants willingly, knowingly, allowing seed to leave their warehouses in utter disregard of its composition, that might be a very proper measure. My experience small as it has been, I think, is a fair guide to the actual conditions. I believe we have very few seedsmen in Canada who will knowingly send out bad seed. It is to the interest of every reputable seed merchant—I am speaking more particularly of the province of Ontario—to be most careful about the kind of seed he sends out because his house may be brought into disrepute in a single day if the seed he sells is other than he represents it to be. He can only hope to gain and keep the support of men by being careful and reliable. The hon. minister has not said that in the province of Ontario there has been any widespread complaint on that ground. I have not heard of a single case of any reputable seed house in Ontario sending out a pound of bad seed. If there is a general outcry on that ground, I confess I have not heard it ; and if there has not been a general outcry, I would ask the hon. minister from what quarter comes the demand for this Bill, this mischievous Bill so far as appears on the face of it, which is now introduced for the second time ? The hon. minister must have had something to warrant him in introducing so drastic a measure. He must have information to show that, the farmers have been made, intentionally or unintentionally, the victims of bad seed. If there is any complaint in the province of Ontario perhaps he will give me some evidence of it.

Mr. FISHER. Let me deal in order with the two points the hon. gentleman (Mr. Clancy has raised. In the first place, speaking of the resolution which I read, he seemed to think it was a resolution that had been put before a lot of farmers' institutes and passed in stereotyped form. In answer, I may tell the hon. gentleman that no such resolution was prepared by anybody that I know of. The meetings were left entirely to themselves as to the form of the resolution and as to whether they would pass resolutions or not, or give any expression of opinion. I will read one or two resolutions to show that the form was not stereotyped. Here is another which reached me from German, and was the expression of opinion from the Farmers' Institute of East Peterborough :

Resolved, that in the opinion of the Farmers' Institute of East Peterborough the Bill respecting the inspection of seeds offered for sale is a step in the right direction, and the government will have the hearty support of this institute when considering this Bill.

Mr. GILMOUR. Does this refer to the Bill of this year or of last year ?

Mr. FISHER. To the Bill of last year which was a more stringent Bill.

Mr. GILMOUR. I know it was. Last year's Bill was an impossibility.

Mr. FISHER. And yet, this farmers' institute said that we should have their hearty support in considering that Bill. I have another resolution here, but I see that it comes from Midland, New Brunswick. As my hon. friend (Mr. Clancy) speaks especially of Ontario I can hardly read this to prove to my hon. friend anything about Ontario, but the form of it will show that the resolution is not stereotyped :

Moved by F. E. Sharp, seconded by W. W. Fawcett and resolved : Having had the results of this work given to us to-day and knowing that the conditions referred to are common to the whole Dominion, this convention of the New Brunswick Farmers' and Dairymen's Association——

This, it seems, was the provincial association, and not simply a local institute.

——urge upon the minister the necessity for immediate legislation which shall fix proper standards of grading with respect to the purity and vitality of seeds of grasses and clover, and shall establish a system of official control to prevent imposition upon the farmers by such regulations and penalties as will ensure its observance.

And this is the letter accompanying the resolution. It is dated from Chatham, New Brunswick and signed A. G. Dixon :

I beg leave to submit for your consideration the inclosed resolution, which passed unanimously at our annual convention held recently

at Sussex, N.B. This resolution seemed to express the sentiment of 300 farmers present. If such legislation should be obtained and the observance of such law carried out, it would save the farmers from being imposed upon by unreliable seedsmen and dealers from which they have suffered such a loss in the past.

Mr. CLANCY. Where are the resolutions from Ontario, the seed growing province ?

Mr. FISHER. I have one here from the south riding of Renfrew.

Mr. CLANCY. Of course, we know what that is in advance.

Mr. WRIGHT. It will be all right.

Mr. FISHER. My hon. friend (Mr. Clancy) does not need to believe anything he does not wish to. But this is a resolution from Ontario, and my hon. friend should take that for gospel. The letter accompanying the resolution is as follows :

At the several meetings held during the past winter in Brudenell, Killaloe, Stewartville, Loch Winnoch, White Lake, Burnstown, Grattan, Mt. St. Patrick, Shamrock and Renfrew, the inclosed resolution was presented and unanimously adopted, and consider it of the greatest importance that the farmers of this section should be able to secure seeds practically free from foul seeds.

This is signed by Gregor MacIntyre, secretary South Renfrew Farmers' Institute. And this is the resolution :

Whereas, at the various branch farmers' institute meetings held in the south riding of Renfrew during the present winter the matter of having such a Bill passed by the House of Commons as was introduced last session by the Hon. Sydney Fisher, whereby some guarantee will be given to farmers, who of necessity must buy a large amount of seed each year, that he is getting clean and fertile seeds.

And whereas, at all these branch meetings the members have either by resolution or otherwise, expressed their unqualified approval of having such an Act passed.

It is resolved by the members of this Central Farmers' Institute, that we heartily approve of the efforts now being put forth in this direction and the members of this institute desire that our secretary be and hereby is requested to notify our representative in the House of Commons of the action that has been taken by the various branch institutes of the riding and to request that he use every legitimate means to assist in having such a measure become the law of the land.

Now, Mr. Chairman, I will leave that subject for the resolutions in favour of this measure. They all embody the idea that the farmers have a grievance, a difficulty in their business, and they want to see that difficulty removed and their situation improved.

Mr. CLANCY. I sat down to give the hon. gentleman an opportunity to give some evidence of a popular demand for this Bill, some evidence of the difficulty, of the evil that induced the hon. gentleman to introduce this measure. The hon. gentleman has merely given us some advertisements of his measure. I would like him to tell us from what quarter the outcry has come for a measure of this kind.

Mr. FISHER. I have not got that information under my hand to-day, because it was all produced last session. If the hon. gentleman will look up the debates of last session he will find the information I then gave to the committee, and which I will repeat before the Bill goes through if the hon. gentleman desires it. I think when the hon. gentleman opened his remarks this afternoon he stated that he believed in the principle of the Bill, believed, I thought he said, that there was a necessity for some such a Bill.

Mr. CLANCY. No.

Mr. FISHER. Then I understand that he does not believe in the necessity of such a Bill ?

Mr. CLANCY. I did not say that.

Mr. FISHER. Does my hon. friend think there is no necessity for legislation in regard to the business of seed distribution in this country?

Mr. CLANCY. I will say to the hon. gentleman that I think all questions of this nature should receive attention from time to time, but the legislation must be upon such grounds as will commend itself to the approval of the people, whether in that line or any other line. I am in sympathy with any measure that will correct such evils as can be corrected by law. I ask the hon. gentleman to point to one seed merchant in the province of Ontario who has been guilty, either by inadvertence, deliberation or disregard, of sending out bad seed to the farmers. There may be such cases but I am not aware of them ; but if there are, a remedy should be found, and a drastic remedy.

Mr. JABEL ROBINSON. I have not yet heard the Minister of Agriculture produce any demands for the introduction of this Bill. But I understand that the Minister himself is a practical farmer, and if he is, he knows how much weeds cost the farmers of this country, and therefore he does not require any prompting, I should think, from other farmers. Besides, if he were not a farmer, he has only to travel on the railroad through the country to see what weeds are costing the farmers, what harm they are doing to the farms. If you travel over the railroads at the present moment you will see in many fields nothing but yellow mustard, and you will see in other fields nothing but white daisies. There are other weeds just as obnoxious. As has been said by my hon. friend from Bothwell (Mr.

Clancy), I think this Bill is in the right direction. But it is a question with me whether it is not too drastic for the seedsman and farmers, even as it stands now. But we all know that we must place before us a high ideal in order to obtain fairly good ends. I had the pleasure of attending two farmers' institutes last winter, and one gentleman came there, a farmer I think, and he showed us a number of obnoxious weed seeds in different kinds of grain. In one pound of clover he said he had found over a thousand weed seeds.

Mr. CLANCY. That is an extraordinary statement.

Mr. JABEL ROBINSON. I am only giving his statement. I never counted them or measured them. However, I have no reason to doubt his word. We know that when a man grows seed he grows it for sale, he sells what he does not require to sow on his own ground, he does not grow seed to burn. His object is to make money out of it, and he could not make money if he destroyed it. Besides the seedsmen, the farmer also sells seed and gets as much money as he can for it. I think the seedsmen are in sympathy with this Bill, because they desire to buy pure seed. To my knowledge they have means of cleaning it up, they have got the machinery for cleaning nearly all the weed seeds out of the pure seed. Unless they do this there should be a law to make them do it. If this Bill is carried and put into force we will not see in every second field these obnoxious weeds. At present these weeds are a source of great loss to the farming community, and if the Minister of Agriculture can do anything to relieve the farmers of this heavy loss he will accomplish something very desirable. The object is to give the farmers pure seed and to induce the farmers to be sure and raise pure seed, but when the minister puts in this Bill, as I I see there is in one clause, a provision that 99 per cent of a quantity of seed must be pure and that 99 per cent of it must grow, then I think he is going a little too far because I am satisfied that no man can raise seed 99 per cent of which will grow, no matter how pure the seed may be. He ought to try and make this Bill workable, but I think it is going a little too far to oblige every seedsman and every second farmer to pay a heavy fine or serve one month in jail if he is found selling impure seed.

Mr. BLAIN. I think it would be desirable if the hon. minister would give us an explanation of the differences between the present Bill and the Bill he introduced last session. I would also like to know how the hon. gentleman proposes to deal with a farmer who is growing seed and wishes to sell some of it to a neighbouring farmer. The hon. gentleman understands that in every farming township there are a number of farmers who make a specialty of growing timothy and clover seed, and naturally they become sellers to their neighbours. What I would like to know is how far this Bill, if it is passed, will apply to those ? Will the Bill make them occupy the same position as the seed merchant who sells seed to the general purchaser ?

Mr. FISHER. My hon. friend from Bothwell put a question to me a few minutes ago that I would like to answer. He said that he would like me to point out a single case in Ontario where seedsmen had sold bad seed. I will just give him a very concise reference to a bulletin which was issued by my department in 1902 on this question. In that bulletin are lists of various samples of seed which were bought in the places indicated where they were exposed for sale by seed merchants and merchants who were selling seeds. These are some of the facts in connection with the quality of these seeds. At St. Catharines a sample of timothy was found which contained 31,982 weed seeds in the pound.

Mr. INGRAM. What month was that bulletin issued in ?

Mr. FISHER. I am informed that these collections were made in Ontario in April and May.

Mr. INGRAM. In 1902 ?

Mr. FISHER. In 1902. There are 1,350,000 seeds of timothy in a pound and in this particular sample there were 31,982 weed seeds in the pound.

Mr. CLANCY. What variety of weed seeds ?

Mr. FISHER. I have the details of about twenty species of weed seeds that were found in varying numbers in the Ontario samples. Eleven samples contain Cinquefoil ; ten, sheep sorrel ; nine, May weed ; eight, lambs quarters ; seven, peppergrass ; five, Canada thistle, and five, false flax, shepherd's purse, cockle, dock and worm seed. Mustard was also found in a few samples. In a sample purchased in Brantford there were 79,000 weed seeds to the pound. Brant county is a seed-growing county.

Mr. INGRAM. To a very limited extent. There are dozens of counties far ahead of Brant in the matter of seed-growing.

Mr. FISHER. Yes, but still it is one of the seed-growing counties in the province of Ontario. In another sample obtained at Brantford there were 26,000 weed seeds ; in one obtained at St. Catharines, 10,000, and in another one at Mallorytown, 10,500. I will now take alsike clover. There are 700,000 seeds in a pound. In one sample obtained at Toronto there were 14,400 weed

seeds in a pound; in another sample obtained at Toronto 49,000 weed seeds; in a sample obtained at Hamilton 14,500, in one at Pembroke 14,000, in one at Galt 23,500. These are the largest numbers and they run down to seven, eight and nine thousand weed seeds in a pound. Of red clover there are 350,000 seeds in a pound. In a sample obtained at Brantford there were 13,000 weed seeds, another sample at Brantford 10,000, a sample at Ottawa 10,000, another sample at Ottawa 20,000, another sample at Ottawa 5,500, another sample at Ottawa 675, a very pure sample, in another sample at Pembroke 10,300, in another at Ottawa 10,000, in another at Pembroke 36,900, Renfrew 13,000, Carleton Place 19,900, and there are various other smaller figures. This shows the hon. gentleman that even in the province of Ontario there are foul seeds sold to the farmers in grass and clover seed.

Mr. CLANCY. How was that information obtained ?

Mr. FISHER. That information was got by an officer going around the country and buying seed.

Mr. CLANCY. When ?

Mr. FISHER. I told the hon. gentleman —in 1902.

Mr. INGRAM. Are we to assume from that statement that strong complaints were received from the farmers of Ontario as to foul seeds in 1902 ? Are we to assume that from any correspondence which the hon. gentleman has in his department ?

Mr. FISHER. This is a statement of the samples that were purchased at that time to find out what the quality of the seeds sold in general trade was ? There were a number of other samples procured in which there were not so many weed seeds. I have given those which show that there were foul seeds in large numbers in some of the samples obtained.

Mr. INGRAM. If the evil was general would the farmers complain generally of that state of affairs ?

Mr. FISHER. Yes, I think they would. I think that what the hon. member for Elgin said a few minutes ago is perfectly true that one has only to go around the country to see what an immense number of weeds there are growing in our fields. The farmers want to get rid of these weeds. What I said before was that the farmers cannot detect these weed seeds in the seed which they buy themselves. It is practically impossible. A very clever well-informed and observant farmer can take a sample of seed in his hand and know only in a very general way whether it is fairly clean or not. That is about the extent he can go. But by a laboratory analysis you can get that information.

Mr. INGRAM. Has the hon. gentleman received complaints from Ontario ?

Mr. FISHER. Not in the correspondence, but I may have general letters in the department. This question was dealt with last year. I have not with me to-day for the purpose of this discussion the information which I gave to the House last year. I think that I did give to the House then considerable evidence of the fact that there was a general demand in this country for this legislation. Four or five years ago, when the work of the seed laboratory was first begun, there was comparatively little information of an exact character before the farmers of the country. But, they felt they were buying bad seed. I have had numerous conversations with farmers and I have had complaints of various kinds with regard to seeds but at the same time until the seed laboratory was established and until analyses were made of seeds, the information which is given in this bulletin was not available to farmers. When they got that information I venture to say that a great many farmers were startled and taken aback and felt that something must be done to save their farms from this evil. They knew the evil existed but they did not know to what extent it existed, they had no details or information upon which they could found any charge or argument and the seed laboratory has supplied that to a considerable extent.

Mr. INGRAM. It strikes me as a remarkable state of affairs. I hold in my hand the report of the Bureau of Industries for Ontario for 1902, and I will point out to the hon. gentleman that on pages 8 and 9 it deals with fall wheat, spring wheat and barley, and on the following page with oats, pease, beans buckwheat, rye and corn and there is not one single word of complaint about foul seeds. Page 11 of this report deals with hay and clover and hay and clover seed, and there is not one single word of complaint from the correspondents of foul seeds.

If the complaints are general throughout Ontario, surely these correspondents who are practical farmers, would have drawn the attention of the provincial authorities to these serious complaints. We know that in Ontario it is at present an offence to allow thistles to grow on the highways and the farms, but that law is not observed. What is the use of enacting a stringent law of this kind, when we know it is impossible to carry it out. I do not believe that any farmer in this House could guarantee that the seed he sells is actually pure, and if this law is passed you would prohibit a farmer from selling his seed if there is even a small percentage of foul seed in it. If this law cannot be carried out, it will do more harm than good. The best guarantee that you can have against foul weeds, is to have first-

class farmers who will look after the cultivation of their crops.

Mr. FISHER. These answers read by the hon. gentlemen are sent in to the provincial Department of Agriculture on special forms of questions which are prepared, and there is no question on that form with regard to weeds. They are statistics as to the crop and its general condition, and the questions include no reference to weeds, so that the hon. gentleman's criticism is not well founded. A good many of the provisions of this Bill only apply to clover and grass seeds, so that if my hon. friend would study the measure he would find it is not so drastic as he seems to think.

Mr. McGOWAN. My experience is that some legislation along the lines suggested by this Bill is very desireable. I know a good many farmers who have had their farms poisoned by foul weeds, and there is a general opinion amongst the farmers of my locality that some legislation of this kind should be adopted by parliament.

Mr. FISHER. Hear, hear.

Mr. McGOWAN. I would point out to the hon. minister, that in my locality a number of farmers have purchased turnip seed in which there was a good deal of foul rape seed and that has done a great deal of damage. I am sorry the minister does not provide against that in this Bill. It would not be well to have the provisions of this measure too drastic, but at the same time there certainly should be some legislation passed in this direction.

Mr. INGRAM. The minister is mistaken when he says that these correspondents make no reference to weeds. Here is a report in regard to spring wheat in which it is said that the crop is good in point of yield and quality. They would not say that the quality of the grain is good if there were foul seed in it. Then again, in reference to the grass crop, it is stated in one of these reports that it is not of good quality, and if that were caused by reason of foul seeds, surely it would be so stated. I am not a practical farmer, but I do know that practical farmers are not in such a fortunate position to deal with this matter as are the managers of the government farms, backed up by any amount of money. It is for the ordinary farmers of Canada who are trying to live by the products of their farms that we are legislating here, and we should be careful not to pass any law which will militate against the interests of this most deserving class of the community.

Mr. STEPHENS. It appears to me that unless the merchant was able to have the seed which he sells tested,—which of course could not be done in most cases,—it would be impossible for him to know whether 90 per cent of the seed would germinate as is required in the Bill.

Mr. RICHARDSON. The objects aimed at by this Bill are of the most desirable character. Nothing could be more important in the interests of the farming community than that the country should, if possible, be rid of the noxious weeds that infest it. But, to pass legislation of a character so onerous, so tyrannical, and with such heavy penalties as are provided in this Bill, is a very serious matter, when you may have it directed against persons who have no dishonest intention whatever.

We have had in the province of Ontario for a long time a law to prevent the spread of thistles, and to have them cleared away from the highways, but that law is inoperative. I do not think it should be. It is one that could be enforced much more easily than the Bill we have before us, which on its face is of an impracticable character. It is desirable that some regulation should be placed within the reach of every farmer which would enable him to have an inspection and analysis made of the seeds he buys, and to have it made free; and the farmers should be invited as much as possible to have this inspection made. But after having made that provision, it is rather drastic legislation to provide that every one engaged in the seed business, and who may not have the skill or ability to analyse seeds, shall be liable to such heavy penalties as are provided in this Bill. These are of a character to render it inoperative and impractical. While in full sympathy with the object aimed at, I think the Bill should be of such a practical character that it could be put into operation, and, while safeguarding the interests of the dealer and the producer, would also safeguard the interests of the farmer who buys seed for his own use.

Mr. WRIGHT. I have had considerable experience, not only in growing seeds but in selling them. The law for the prevention and destruction of thistles growing on the highway is entirely different from the Bill now before this House. A farmer is not going to complain against his neighbour because he allows thistles to grow on his wayside, for he does not think it desirable to have the enmity of his nearest neighbour. But I can assure you that if a farmer buys from a seed merchant a hundred pounds of clover, and finds after he has sown it that there is a lot of foul seed in it, he will have no qualms of conscience about hauling the seed merchant over the coals and making him responsible for the damage done to his farm. I am delighted that something has been done by the Minister of Agriculture on this matter. We have been labouring too long in the province of Ontario under the evil of foul seeds, and it is time we had some redress. If any one has any doubt of this, let him take the Canada Atlantic and go from here to the town of Arnprior when the fields are ripening, and if he does not see the necessity of a Bill of this kind, he

will certainly be very blind indeed. With reference to what the hon. member for Bothwell (Mr. Clancy) says in regard to a stereotyped resolution being passed everywhere, I do not know whether that hon. gentleman has the power of being omnipresent or not; but I can assure him that the farmers of South Renfrew are intelligent enough to frame a resolution for themselves, and do not require a stereotyped resolution; and I hurl the accusation back in the hon. gentleman's teeth with all the force of which I am capable.

Mr. BLAIN. I did not understand the hon. member for Bothwell to say that the resolution passed at South Renfrew meeting was a stereotyped resolution sent there for the purpose of being passed.

Mr. WRIGHT. I understood him to say that all the resolutions were stereotyped, that passed in South Renfrew included in the number.

Mr. BLAIN. The hon. gentleman misunderstood the hon. member for Bothwell.

Mr. WRIGHT. At the various meetings held in the south riding of Renfrew, two practical farmers were present—Mr. Clendinning from the western part of Ontario, and Mr. Hutton, who lives near Smith's Falls; and they had a large chart of the various kinds of seeds which had been bought at different places, showing the amount of foul seeds contained in them. At every meeting this question of foul seeds was discussed, not only by these men, but by the farmers, and at every one of these meetings resolutions were passed extolling in the highest terms the action taken by the Minister of Agriculture on this subject. I know from the experience I have had in selling seeds that something of this kind should be done. Another thing to which my attention has been drawn, and which has not been brought out by the Minister of Agriculture, is that when the farmers go to buy clover seed they cannot tell whether they are getting late or early clover; and it would be well if the label which the Bill provides shall be attached to each package of seeds, giving the name of the kind of seeds, should state whether it is late or early clover. The Minister of Agriculture has received one testimonial which is not among those he has read to-day. That testimonial came from the hon. member for Bothwell, who tells us that he attended just one Farmers' Institute meeting, and that at that meeting he noticed that there was not a single individual opposed to this Bill. This is an important fact, and I suppose that the reason the hon. gentleman in his search for thunder, did not visit any more of those meetings, was that he discovered that there was not a single individual opposed to this Bill, and that cooled his ardour. I think we should have the name of that place, and have the hon. gentleman's testimony added to the others.

Mr. GILMOUR. I will say at once that I am in favour of this Bill or any other Bill that would carry out the purpose intended. The minister has told us that the farmers' institutes throughout the country have voted unanimously and have sent in petitions in favour of legislation of this nature. I do not wonder at that. Ninety-nine farmers out of every hundred desire legislation for this purpose; but it is one thing to seek legislation for an evil; it is another thing to make legislation for that evil. With that statement I want to say this, with regard to the difference between this Act and that of last session. In this Act you propose to relieve the farmer of all onus of selling foul seed provided he does not give a certificate that it is free from the foul seeds named in section 3. Section 7 relieves the farmers of responsibilities and penalties unless they should give a certificate that the seeds sold are free from foul seeds.

Mr. FISHER. Yes.

Mr. GILMOUR. And the whole responsibility is cast upon the seed merchants?

Mr. FISHER. The farmer can only take advantage of the exception in section 7 if he sells on his own premises. If he sells the seed generally he cannot do so.

Mr. GILMOUR. He can also sell it to the merchants and be so relieved. He can sell it anywhere and any place and unless he gives a certificate he is not liable.

Mr. FISHER. He cannot sell except at his own home and be free from responsibility.

Mr. GILMOUR. This Bill in section 7 provides:

> The provisions contained in this Act shall not apply to—
> (a.) any person growing or selling seeds for the purpose of food;
> (b.) any person selling seeds direct to merchants to be cleaned or graded before being offered for sale for the purpose of seeding.

He can take it to town and sell it to a merchant.

Mr. FISHER. Yes.

Mr. GILMOUR. He shall be relieved if he sells to any one, unless he gives a certificate that it is free from foul seeds. The whole responsibility is cast upon the seed merchant and I do not think the seed merchant can comply with this Bill. I would like the hon. minister to bring down such a law as would enable the seed merchant to comply with it. Unless the seed merchant can comply with this measure, he will be in a worse position than before. If he cannot comply with the laws of the country, he would naturally go out of business.

Mr. FISHER. My hon. friend asks me whether the seed merchants have protested or whether they have agreed to the

provisions of this Act. I would say in the first place that I have not understood that the seed merchants took exception to the general provisions of this Act. But they have protested against the provision to which my hon. friend has just alluded, and by which the farmers are allowed to sell to their neighbours and escape the provisions of the law. They have also pointed out certain difficulties in living up to the Act, but I do not think those difficulties have arisen with regard to the quality of the seeds. I think that the seed merchants have practically accepted the provisions of sections 3 and 4 which indicate the grades. There is one point in this, however, in which the seed merchants differ from this Bill. They are quite ready to adopt what they called a minimum standard, below which no seed should be sold in the country at all, for grass and clover seeds. I understand they are willing to accept a minimum standard and object to any grading above that standard. This Act does not grade but it provides that if a merchant chooses to put a certain specimen of grain and mark it No. 1 quality or anything to indicate superior excellence, under those circumstances it must come up to a certain grade. And it indicates what that means in section 4 :

No person shall sell, or offer, expose or have in his possession for sale, any seeds of timothy, red clover, alsike, or any mixture containing the said seeds, in or from any receptacle, package, sack or bag upon which is marked 'No. 1' or any other designation which represents such seeds as of first quality, unless they are free from the seeds of weeds named in section 3 of this Act.

Then it goes on :

And contain out of every 100 seeds not less than 99 seeds of the kind or kinds represented, or seeds of other useful and harmless grasses and clovers, of which 99 seeds 90 must be germinable.

That is the distinction we think necessary to justify the marketing of seed as No. 1 or of the highest quality. If seedsmen say that is too severe, they need not mark their seed. In the Act last year we undertook to fix the different grades. In this Act we do not. We fix a minimum grade below which no seed can be sold by anybody. That is, there must not be more than three seeds in the thousand that are seeds of certain weeds. The seed merchants who have discussed the matter with me seem to think that this is a grade that would be quite practicable.

Mr. STEPHENS. I would like to ask why it is that when some clovers are included in this Bill, alfalfa is not included also ?

Mr. FISHER. This Bill does not pretend to deal with the whole question. We would be very glad to go much further, if we felt we could do so successfully. We have undertaken in this Bill to deal with the most common seeds that are sold. And I think I am safe in saying that, of the grass and clover seeds, that are sold in this country, the three kinds here named alike, red clover and timothy would cover, from 95 to 98 per cent of the sales. If we can get the country educated up to the point of dealing with these we can later on deal with those which are sold in less quantity.

Mr. STEPHENS. Alfalfa is sold in my county to a large extent.

Mr. ERB. Section 4 provides that 99 seeds out of 100 are to be of the kind or kinds represented. Then, of what kinds may the hundredth seed be ?

Mr. FISHER. It could not be a seed of any of the weeds named. It might be the seed of some other grass or of some harmless plant.

Mr. ERB. May not some of the 99 seeds be those of harmless grasses ?

Mr. FISHER. It says so in the Bill—that the seed shall contain not less than 99 seeds of the kind or kinds represented or seeds of other useful or harmless grasses. That would not prohibit the sale, if, for instance, in the timothy a few clover seed were found.

Mr. ERB. It would not be permissible to have the hundredth seed that of any of the kinds mentioned in sections 3 and 4 ?

Mr. FISHER. No. As has been pointed out to me, a pound of red clover consists of 350,000 seeds. One in a hundred would be 3,500 seeds. That would be a very large proportion of noxious weed seeds and seed so foul could not be classed as No. 1.

Mr. ERB. Have the seedsmen represented that it is possible to have grass seed without having more than one seed in one hundred that of one of these weeds ?

Mr. FISHER. Not only have they said so, but a great proportion of the samples that were tested would grade No. 1. The question was asked me by the hon. member for Kent (Mr. Stephens) a few minutes ago as to the way in which a merchant selling seeds could find out whether those seeds were up to standard or not. In the first place, the country merchants, in practice, buy their seeds from reputable seedsmen whose business it is to test their seeds before they send them out.

Mr. STEPHENS. My question referred to germination.

Mr. FISHER. So far as that is concerned, it is easy for a man to test the germinating power of his seeds in a week or ten days. He might want to sell the seeds within a day or two of buying them it is true. I am advised that a man accustomed to handling seeds can judge pretty fairly by the look of the seeds as to its power of germination. But, in any case the seed laboratory is at

the disposition of those who wish to have their seeds tested.

Mr. BLAIN. If I understood the hon. minister, he said that he had sent out an officer of the department throughout Ontario to purchase samples of seeds in different places, and he told us some of the results. If what he told us is a fair example of the class of seeds sold in Ontario, the position of the farmers is a very serious one. Surely, the minister does not mean to say that the seed sold by the merchants in the ordinary way in Ontario is as bad as the examples he quoted to the committee. I would like him to state whether his officers found this condition general in Ontario.

Mr. FISHER. The instances I gave were taken from the bulletin which was published in 1902. The samples were collected partly by an officer of the department and partly through correspondence with the institute workers throughout the province. We asked these gentlemen to buy from the ordinary dealers here and there enough seed for a sample and send it to us. I may point out that the statement I made a few minutes ago was in answer to a demand from the hon. member for Bothwell (Mr. Clancy) whether in Ontario any bad seeds were being sold. In the list I quoted from were a large number of samples which were very good.

Mr. BLAIN. I think the hon. gentleman ought to quote the good as well as the bad.

Mr FISHER. I am quite willing. They are all given in the bulletin and have been before the public for about two years. In making my statement I said that there were others not nearly so bad as those I quoted. and many of them quite good.

Mr. BLAIN. What proportion of them were found bad ?

Mr. FISHER. For instance, take the case of timothy in the province of Ontario. In seven samples out of twenty, more than 5,000 bad weed seeds were found. Eight samples had between 1,000 and 5,000 bad weed seeds.

Mr. INGRAM. Were all these samples the same weight ?

Mr. FISHER. The samples were taken from the ordinary packages in which the seed was being sold and sent to the laboratory to be analysed. From half a pound to a pound was taken and sent to the laboratory here in each instance to be analysed. There are two analyses made of every sample. The samples were taken from men who were selling seeds as a business, either country storekeepers, merchants or regular seedsmen.

Mr. ERB. How many samples were pure ?

Mr. FISHER. There was one containing 191 weed seeds in a pound, I would call that pure under the provisions of this Act ; there was another containing 181 weed seeds, that is also practically pure. Another contained 634, another 815 and another 916. All the rest contained over 1,000.

Mr. BLAIN. What proportion of the twenty samples came up to the standard ?

Mr. FISHER. I am informed that all of them came up to the minimum standard in this Act.

Mr. COCHRANE. This is an important question, and I would be glad if legislation could be devised that would remedy the evil that exists. I understand the Minister of Agriculture to say that it does exist in the province of Ontario. As I understand it, suppose I raise seed not entirely pure and sell it to a seedsman, there would be no penalty on me. I think the Minister of Agriculture made too wide an assertion when he said that no foul seed could be sold under this Bill, because I think I can raise grass seed not entirely pure and sell it on my own premises, or sell it to a seedsman, and no penalty could be imposed on me under this Bill. Now, I want to ask the minister if any machinery has been invented whereby a seedsman can clean the seed and make it pure ? Suppose that I raised foul timothy seed and took it to a seedsman, is there any machinery whereby that merchant can clean it and bring it up to the standard ?

Mr. FISHER. I am informed that there is undoubtedly machinery which will bring it up to the minimum standard. As to bringing it up to the maximum standard, it would depend a little on the nature of the impurities in the seed. But a great deal of even pretty foul seed can be brought up to the first quality mentioned under this Act by machinery which is well known, and which is in use to-day among the seedsmen of the country. I may say to my hon. friend from Peel (Mr. Blain) that I have such a list as I mentioned from every one of the provinces

Mr. SPROULE. I listened to what the minister said with regard to the situation of the seedsmen under this Bill, and I must admit that my experience is not like his, because wherever I have conversed with seedsmen with regard to the Bill of last year, they said they could not comply with its provision, that if such a law was enacted it would compel them to go out of the business. I admit the desirability of a law that will give us pure seed, but I do not think the present Bill will accomplish that end. The only question to my mind is whether, if this Act is passed, it can be made workable. It seems to me there are a few provisions that go too far. For instance, section 3 says :

> No person shall sell, or offer, expose, or have in his possession for sale, for the purpose of seeding, any seeds of cereals, grasses, clovers or forage plants containing any seeds of the following weeds.

Then follows a list of the weed seeds. The section goes on :

Unless each and every receptacle, package, sack or bag containing such seeds, or a label, securely attached thereto, is marked in a plain and indelible manner—

(a.) with the initials of the christian names, and the full surname and address of the wholesale or retail seller ;

(b) with the name of the kind or kinds of seed ;

(c.) with the common name or names of the aforenamed weeds, the seeds of which are present in the seed sold or offered, exposed or had in possession for sale.

Now if I correctly understand that section, every package containing the seed for sale must have the initial of the wholesaler or retailer upon it, as well as the kind of seed contained in it, with the names of the weed seeds present, and a list of those is given Now take oats for instance. The seedsman usually keeps his oats in a bin. You want to purchase some seed oats and he takes them out of that bin. As I understand this section, he would require to have upon that bin the name of all the weed seeds present in those oats.

Mr. FISHER. Only those that are mentioned here.

Mr. SPROULE. Wild oats is among the names of weed seeds mentioned here. The name 'wild oats' has to be put on every bin containing oats, because there are few lots of oats which do not contain wild oats. Then we find mentioned bindweed, perrennial sow-thistle, ragweed, great ragweed, purple cockle, cow cockle, orange hawkweed or paint brush, ergot of rye, and some others. Every one of these weeds. if the cereal contains any of these seed weeds, must be marked on the bin containing the oats, or on the bag, or whatever receptacle they are sold in. I think this provision will pretty surely be ignored. I do not think one seedsman out of a hundred would attempt to carry that out, and a law that cannot be carried out is worse than useless, because not only does it do no good, but it creates a contempt for law. Then section 4 says :

No person shall sell, or offer, expose or have in his possession for sale, any seeds of timothy, red clover, alsike or any mixture containing the said seeds, in or from any receptacle. package, sack or bag upon which is marked 'No. 1' or any other designation which represents such seeds as of first quality, unless they are free from the seeds of weeds named in section 3 of this Act.

If he sells the seed as No. 1, it means he sells it as of the first quality, and it can only contain a certain percentage of weed seeds. Then the seed must also contain a certain percentage that will germinate. Now, how is the purchaser to tell whether every seed will germinate or not ? Suppose a quantity of seed sold as being of the first quality was found to contain more weed seeds in the crop than is allowed, or a greater percentage of seeds that did not grow than is allowed under this Bill, and an action for damages was instituted against the seedsman, how are you to prove it ?

There has been no sample taken in advance to enable you to ascertain what percentage of seeds is germinable and what is not, and to ascertain what percentage of weed seeds is contained in it. I take it that if seeds are sold under this Act as No. 1, or first quality, it will leave the seedsmen open to an action at law if it is found afterwards that the seeds which he sold injures a man's farm or .if they contain weeds when they were supposed to contain no weeds. But, an action cannot be maintained under this Act because of the difficulty of proving the offence to the court. It seems to me that this makes the law in that respect unworkable, and I think in some other respects as well it is unworkable. While it appears to be an improvement on the Bill that was introduced last year, I think still that it would be utterly impossible for seedsmen to comply with its provisions. The hon. Minister of Agriculture said that it is an easy matter to use machinery to clean the seed so that it will come up to the minimum standard, not the maximum standard. My experience and information are that weed seeds are taken out by sieves and where you have weed seeds of about the same size as the ordinary grass or clover seed you are cleaning, it is absolutely impossible for any machinery in the world to do that work, and to make the grass seed perfectly clean.

Mr. WM. ROSS (South Ontario). I presume the discussion regarding the quality of seeds in the province of Ontario must have arisen because Ontario province is the great producer of seeds in Canada. Perhaps you might say that the entire crop of red clover and alsike not of timothy, though a large proportion of timothy may be included—is produced in Ontario, and this is due to the fact that the other provinces either do not grow these seeds or their climatic conditions are found unsuitable. I was very much impressed with the general provisions of the Bill introduced last year. I think there is no observant member of this House or observant Canadian who travels through this country, especially at this season of the year and now on for the next two or three weeks, but will notice that the crops of hay and often times grain as well are sadly spoiled by the large proportion of weeds which are growing in them. To whom that is due we cannot tell. Whether it is due to the carelessness of the man on the farm or the man who sells him the seed, the fact is that the weeds seem to have spread over the entire country. The wild mustard seems to be increasing at an alarming rate. Although

certain scientists have discovered that by spraying it can be killed, that process, I have been informed, has not been found altogether satisfactory. This is one of the most noxious weeds we have. However, the fact is that the country is being fast overrun with weeds. Under these circumstances if this House could bring forth a proper measure which would regulate the evil in such a way as to prevent the spread of weed seeds, it would be a boon to the country. But it seems to me that a great deal must depend upon the man who cultivates the farm. If he will continue to sow seed that is bad he must of course have all the weeds which go with it, and the consequences. I am not opposing this Bill at all, but I want to criticise it and I want to hear from other members of the House in regard to it. I feel that the difficulty is in the actual working of the Act. I have been accustomed to handling seeds nearly all my life and the great difficulty I see is in connection with the working of the Act. I am a little afraid that in this Bill we have something in the nature of paternal legislation, that we are undertaking to look after the business of the man who should look after his own interests. I have sometimes thought, as I have listened to the discussions upon different Bills in this House, that we have too much paternal legislation. I do not presume to call this Bill paternal legislation, and I feel with the majority in this House that something should be done whether this Bill is in the right direction or not. We had a Bill last year and I thought some of its provisions very drastic indeed. After we had discussed it and after I had thought over it during the recess, I felt that the Bill should be modified in some way. It has been modified in the Bill, which is now before the committee, but, looking at the clauses, there are some features of it yet which would need some modification. Take clause 4, for instance: it seems to me that when you say that of every 100 seeds, not less than 99 shall be of the kind or kinds represented it is rather high. In red clover there are some hard seeds and it would be very difficult to comply with that clause. If it were put at 97 or 98 seeds the proportion would be a little better. Then, it states that of those 99 seeds, 90 must be germinable. Ninety per cent is a high standard of germination. Almost any one who is accustomed to dealing with seeds day after day, and having perhaps a dozen or two dozen samples presented to him can tell what proportion will grow. A real expert seed buyer will be able to tell you a week after a crop has been offered to him by sample, just what proportion of the crop will grow. I think if the number of germinable seeds was made 85 instead of 90, it would be a better proportion. Then, the minimum clause is an improvement upon the provision of last year's Bill. The minimum clause provides that:

> No person shall sell, or offer, expose or have in his possession for sale, for the purpose of seeding in Canada, any seeds of timothy, alsike or red clover, or any mixture containing the said seeds, if the seeds of the weeds named in sections 3 and 4 of this Act are present in a greater proportion than three to one thousand of the seed sold, or offered, exposed or held in possession for sale.

In case there were a million and a quarter seeds in timothy, that would give 3,750 seeds which would be allowed which is a fair proportion, and if there were 3,750 seeds of that kind allowed in a pound, I should think that would be sufficient. In regard to clause 8 the penalty is very serious for such an offence. It provides that any one who violates the provisions of the Act shall for each offence, be liable to a fine for the first offence not exceeding $5 and not less than $1. Suppose you load a car with 200 bags of seed, and suppose that all the bags were found not to comply with the provisions of the Act, if you had 200 bags which do not comply with the provisions of the Act, and you had to pay $5 each in fines that would amount to $1,000 on a carload of seed. I think, that, considering the value of a car of seed, it is an enormous fine to impose. This Bill is designed to regulate a very old and valuable trade, a trade which is very largely carried on in the interest of the country. The capital invested in the province of Ontario in farming operations is over a billion dollars and that is all at stake in connection with every farm that there is in this great province, because every farmer sows seed. Under these circumstances, I think that the fine should be as small as it is possible, considering the interests which are at stake, and that it should not be any higher than is necessary to regulate this old standard trade. Recognizing the rapid spread of weeds throughout the country, I think that the hon. Minister of Agriculture (Mr. Fisher) is to be commended for the steps he has taken to check this evil. The establishment of a seed laboratory and the distribution throughout the country of information regarding noxious weed seeds, their habits and how to kill them and regarding the germination of seeds have given the farmers an immense advantage. If the majority of the House think, that this Bill will regulate the seed trade, I am prepared to support it. I am prepared to support the minister in anything that is right and proper in connection with this matter. I believe that in a year or two after this plan of education has gone on a little further, possibly we may be able to get a Bill which will suit every interest. I am not saying that the present Bill does not suit every interest now, but looking at it from the ordinary experience of every day business life, I can see that even this Bill, which is an improvement on last year's Bill, may require to be amended from

time to time in accordance with existing conditions.

Mr. FISHER. I appreciate the support which my hon. friend from South Ontario (Mr. Ross) has given to this Bill, and I may say that most of the difficulties which he has pointed out are of minor detail which can be very easily modified. As to the fines, it can be very easily arranged that where only one package is sold the penalty shall be so much per package, but if there be a large number of packages sold, the aggregate penalty should not exceed a certain reasonable amount. I shall be glad to consider that in committee.

Mr. BLAIN. Did the correspondence which the minister has had in connection with this Bill between last session and this, include any correspondence from the representatives of the different provinces. Has he had the co-operation of the provincial ministers of agriculture ?

Mr. FISHER. I am reminded now, that there is a letter from the Deputy Minister of Agriculture of British Columbia, and also a letter, or perhaps more than one, from the Hon. Mr. Elliot, Commissioner of Agriculture in the Northwest Territories. I think there are one or two letters from Mr. Ferris, of New Brunswick, and possibly from Mr. Dryden, of Ontario, but I am not sure.

Mr. BLAIN. One would have thought that the minister would have communicated with these gentlemen who represent the agricultural departments of the different provinces. Has the minister sent a copy of this Bill to the ministers of agriculture for each province ?

Mr. FISHER. I do not know if it was sent to the ministers, but it was sent to the deputy head of the department in each province, so that it was thoroughly understood and known in the departmental offices.

Mr. BLAIN. Just in a formal way ?

Mr. FISHER. The same as it was sent everywhere else. In reply to my hon. friend from South Ontario (Mr. Ross), I would say that the provisions of this Bill are about as mild as they can be to accomplish the object in view. I am much gratified to find throughout the country a very great awakening on this subject, and I have most gratifying testimony from the farmers as well as from the seed merchants of the good results from the investigation by my department, and from the discussions that have arisen. There is no doubt that in the last three years there has been a very considerable improvement in the handling of seeds throughout Canada, and a very general demand on the part of the farmers for better seeds, which has led to an improvement in the seeds offered for sale. There is to-day a considerable quantity of refuse seed some of which is sold in this country and this Bill aims to do away with that absolutely. My hon. friend from Grey (Mr. Sproule) asked me about the methods of cleaning seeds. As a farmer I never myself raised seed, having always bought it.

Mr. INGRAM. Have you done any ploughing ?

Mr. FISHER. Quite a lot. I have never raised a crop of seed for sale, but I am informed by those who have, that the seed merchants who have complete machinery for the cleaning of seed, can clean it so as to live up to the provisions of this Act. The system of screens and sieves is only a part of the best cleaning machinery ; there is a system of drafts and blowers——

Mr. SPROULE. That is done by the fanning mill.

Mr. FISHER. Yes, but the results do not depend upon the size of the seed. The ungerminable seeds are much lighter as a rule and they are blown away ; even an ordinary fanning mill properly worked can almost always clean the dirtiest grass seed.

Mr. GILMOUR. Not the ordinary fanning mill.

Mr. STEPHENS. The Chatham mill can.

Mr. FISHER. I believe the Chatham mill is a very good one, and is quite capable of cleaning the dirtiest seed. But any good fanning mill can clean seed so as to bring it up to the minimum standard fixed in the Bill, as a general rule. Therefore, I feel that with proper care, with care that we may fairly ask should be exercised by a person engaged in this trade, the seed merchants can live up to the conditions of this Bill. When the seedsmen interviewed me a little while ago, I think I am correct in saying that their chief objection was to that clause of the Bill which allows farmers to sell seed to their neighbours without being subject to the conditions of the Bill. I have kept that clause in the Bill, because I have felt that a farmer buying from his neighbour has not only the protection of requiring the seller, if he choses, to sell to him subject to the provisions of this Act and to give him a certificate, but he has also the protection of knowing from his own observation whether his neighbour's field from which he has taken the seed was clear and clean or not. He has this special protection which the ordinary purchaser has not. The farmer is not allowed under this Act to sell promiscuously. He is only allowed to sell to his neighbour on his own premises.

Mr. GILMOUR. He is allowed to sell to the merchant as well.

Mr. FISHER. He is allowed to sell to the merchant seeds to be cleaned. He can

only sell on his premises seeds to be used for seed purposes. Otherwise, under section 7 he can only sell seeds for the purpose of food, or to merchants to be cleaned or graded before being offered for sale. Does the hon. gentleman mean to say that he would forbid a farmer selling seeds to a seed merchant? If he did, he would stop the whole trade in the country.

Mr. GILMOUR. No, I do not. But I ask the hon. minister whether it would not be better to fix a minimum standard, and leave it at that, instead of making provisions for three or four different grades which no person can comply with. I would be very suspicious of a seed merchant who would make these marks. I would rather take the mark of a firm of standing that had been in existence for forty or fifty years, such as that of which my hon. friend from Hamilton (Mr. Bruce) is at the head.

Mr. FISHER. My hon. friend seems to have lost sight of the fact that this Bill simply requires the minimum standard, but that if a seedsman wishes to label his seed as of No. 1 quality, he has to comply with certain provisions. Would my hon. friend think it wise not only to fix a minimum standard, but to allow every seedsman to call that No. 1 quality ? I do not think the farmers of this country are prepared to say that that should be done.

Mr. GILMOUR. The word of the man who has been in business for thirty or forty years that the seed is pure would be sufficient.

Mr. FISHER. There are people engaged in the seed business whose word is as good as the bond of other people ; but there are a lot of other people engaged in it not of the same standing, and there are others who are selling seed at second and third hand, and we should apply machinery to prevent these people doing what they ought not to do. Nobody need do more than live up to the minimum standard, but if any one undertakes to tell a farmer that a seed is of first quality, he is required to comply with the condition of section 4. With regard to section 3, it is an actual concession. It provides that a man may sell seeds with those weeds in them, provided he says what weeds are in them. It is not a dominating clause ; it is a concession to the seedsmen of the country.

Mr. GILMOUR. I have not consulted any seedsmen in regard to this measure ; but if I were a seedsman and had to comply with the provisions of this Bill, I would just label my seeds according to the minimum standard, and would then tell the purchasers which was pure seed.

Mr. FISHER. I am quite satisfied that the majority of well known seedsmen do not to-day sell any seeds as No. 1 which would not come up to the provisions of section 4.

Mr. GILMOUR. Perfectly true but they would not put their foot into a trap of that kind.

Mr. INGRAM. Why should fixing of the maximum proportion of seeds of the weeds that may be tolerated be left to the decision of the Governor in Council ?

Mr. FISHER. That is also a concession. If that section were not here, one weak seed of some wood would condemn a whole carload. We have to make some regulations by which what we call absolute purity shall be defined. As the government desire to take up supply this evening, I would ask that the committee rise, report progress and ask leave to sit again.

Motion agreed to, and progress reported.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

SUPPLY.

House in Committee of Supply.

Experimental farms, $100,000.

Mr. SPROULE. The Prime Minister intimated yesterday, I believe, that we were to have another Bill brought down this session. It seems to me we ought to know something about the provisions of that Bill before we go on with the estimates. The opposition has an undoubted right to know what the House is to be committed to, and to call for the redress of grievances before supplies are granted. I do not think it is asking too much of the Prime Minister to request him to give us some information of the purport of the Bill to which he referred.

Sir WILFRID LAURIER. My hon. friend (Mr. Sproule) takes me rather unawares ; I did not expect that I would be called upon to give an explanation this evening of the matter he has referred to. Perhaps he was not in his place when I gave the information to which he refers. I stated, in answer to the leader of the opposition (Mr. R. L. Borden), that on moving the motion of which I have given notice for to-morrow to take Monday as a government day for the rest of the session, I would advise the House as to what legislation we would propose. I hope that will be satisfactory.

Mr. SPROULE. It was because of the announcement made yesterday that an explanation would be given ' to-morrow '—that is to-day, as the intimation was given yesterday —that I put the question.

Sir WILFRID LAURIER. I said I would give the explanation on introducing the motion of which I have given notice for to-morrow—Friday. When I move to take Monday as a government day the House will be entitled to know what further legislation the government intend to bring down.

Mr. SPROULE. I notice that, in this item, there is an increase of $10,000 over the expenditure of last year. What is the explanation of this ?

Hon. SYDNEY FISHER (Minister of Agriculture). I may say, in the first place, that I am asking additional sums in the supplementary estimates for the current year, which will soon be brought down. A very considerable proportion of this increase is due to the increase in wages and salaries on the farms, which has been found absolutely necessary. We have the Central Experimental Farm at Ottawa and four branch farms, and they employ in the aggregate—I am making rather a guess—between eighty and ninety men, in addition to the staff of officers. Wages have gone up generally throughout the country. I was informed a little while ago that if I did not immediately increase the wages on the farms at Indian Head and Brandon, all the men on them would leave. These were experienced men who had been a good while on the farms, and we found, as a matter of fact, that we were not paying wages equal to the farm wages of the community around. I was obliged, therefore, to agree to an increase of from 20 to 25 per cent all round on the ordinary wages of these farms.

Mr. CLARKE. What is the rate of wages on these farms ?

Mr. FISHER. The foremen are the highest paid men, then the teamsters, then the men in the barns attending the cattle, and then the labourers. I find that on the Experimental Farm at Ottawa one teamster is entered here on the list at $8.75 per week for last year.

Mr. CLARKE. And has to board himself ?

Mr. FISHER. Yes. This case may be taken as a criterion of the wages. You could not keep the man at the wages paid.

Mr. CLARKE. What do the labourers get ?

Mr. FISHER. About $7 or $7.50 a week.

Mr. CLARKE. And have to board themselves ?

Mr. FISHER. Yes. We do not board men on any of the farms. On each of the western farms there is a boarding house, but the men have to pay their board at these houses.

Mr. CLARKE. How many hours do they work ?

Mr. FISHER. The teamsters and labourers work ten hours. The men who take charge of the cattle and work inside the barns begin a little earlier and stop a little later, but their work is supposed to be lighter and nicer work, and they get paid for Sundays, because they have to be there on Sundays. Besides the ordinary wages, we had to increase the pay all along the line, including the pay of the officials. I am proud to say that in the Director of Experimental Farms, Professor Saunders, and the other officials, we have a very efficient staff of experienced experts, men who have shown by their work there how valuable they are to the country, and how thoroughly equipped for their duties. There is a very considerable demand, not only in Canada, but in the United States, for expert service, and we have to pay these men proportionately to what similar men get elsewhere for similar work. And I have even had to contend with direct offers from other countries to these gentlemen to tempt them away. As a Canadian I am proud of the fact that these men, who are also Canadians, are so well treated and so satisfied to remain in the service of Canada, that some of them at any rate have refused offers of considerably higher pay in other places rather than leave their work here. They are devoted and enthusiastic to their work on the Experimental Farm, they take an interest in their work, a pride in it, and several of them have refused to leave it for higher pay and go elsewhere. These offers come from a foreign country. In view of this fact, and with my knowledge of these men, their energy and capacity, and in view of the fact that in other walks of life all through the country men are being paid higher than they were two years ago, I have felt bound in the interests of the experimental farms as well as in the interest of these gentlemen, to increase their salaries. These increases have been going on for the last year or two, and the result is that the item which was voted last year of $90,000 will not be sufficient to pay the expenses of the farm for the current year. I shall therefore be obliged to ask for $10,000 more for this year's work. I had a conversation on this matter with Prof. Saunders, and we agreed that we could not carry out the work required on the farm without more money.

Mr. CLARKE. Are the labourers employed throughout the year ?

Mr. FISHER. Most of them are. We have to dispense with a few of them in the autumn, but during the winter we employ as many of them as we can on what is called the seed distribution. During the winter we put up tens of thousands packages of seeds, which are sent out over the country to the farmers, and in this work we employ men who are not engaged in the field and in the barns. There are generally a few men on each of these farms who are not employed all the time during the winter, but practically a good employee is given work nearly the whole year round. I am informed that the increase of wages and salaries would not be less than 25 per cent on the old rate. I am also informed that we have increased the staff somewhat, and with the increase of the staff, the increase

of wages and the increase of salaries, we will use up $75,000 out of this $100,000.

Mr. CLARKE. How much is the labourer getting ?

Mr. FISHER. The common labourer is getting the same as the city labourer, $1.50 for a working day. Teamsters get a little more, and foremen a little more still.

Mr. LOGAN. What increases, if any, have been made in the staff at the Nappan farm, and what are the wages paid to the men employed there ?

Mr. FISHER. There is no increase in the staff at Nappan. There is a slight increase in the number of labourers there. The pay of the labourers is about on the same scale as the pay at the central farm. But on the western farms in Brandon, Indian Head and British Columbia, the pay is higher. We cannot get labour there at the same price.

Mr. LOGAN. What is the pay of the labouring man at Nappan ?

Mr. FISHER. Ordinary labour runs from $1.40 to $1.60 a day, the men boarding themselves. Of course there are some skilled labourers who get higher wages than that.

Mr. SPROULE. How many employees are there on the central and other experimental farms ?

Mr. FISHER. On the Central Experimental Farm, excluding the officers, there are about fifty employees. There are ten or twelve men, varying a little as the seasons go, on the branch farms making a total altogether of very nearly one hundred employees.

Mr. SPROULE. In addition to them how many skilled labourers have you ?

Mr. FISHER. That includes the skilled labourers—all except the officers.

Mr. SPROULE. How many officers have you ?

Mr. FISHER. Nine. At the Central Experimental Farm there is the director, Prof. Saunders, Prof. Fletcher the botanist and entymologist, Prof. Shutt, chemist, Prof. Grisdale, agriculturist and Prof. Macoun, horticulturist, making five officers proper. Then besides that there is Mr. Gilbert in charge of the poultry, Mr. Fortier his assistant and in the office they have three stenographers, an accountant and assistant clerk. Mr. Fletcher has two assistants in his work. Mr. Shutt has two assistants in the laboratory and there are two clerks in the office. That I think covers the whole staff. That makes altogether at the Central Experimental Farm, including officers, office staff and assistants, foremen and employees in the neighbourhood of seventy-five. On each branch farm there is a farm manager and a book-keeper or secretary to the manager who has to do stenographic work and keep the books. On the farm at Nappan there is a horticulturist. The other farms have no such officers. Mr. Sharp, in British Columbia, is himself a horticulturist and there is no fruit growing to speak of at Indian Head or Brandon.

Mr. SPROULE. Have you not a horticulturist and a bee-keeper at the Central Farm ?

Mr. FISHER. Prof. Macoun who is the horticulturist of the whole system is here and he has under him an orchard foreman and a garden foreman. The farm foreman, Mr. Fixter, takes care of the bees.

Mr. BLAIN. Would the hon minister give us a statement of the wages paid to the labourers on the different farms so that we will have an opportunity of knowing what the current rate of wages in the different parts of Canada is ?

Mr. FISHER. The rate of pay here for the common labourer is $1.50 a day, that is the usual rate of labour in the city. At Nappan it is about the same. There may be one or two men who only get $1.40 a day although I do not believe that there are. At the three western farms the pay is $1.75 a day.

Mr. INGRAM. Does that include board and lodging ?

Mr. FISHER. They pay for their own board and lodging at all of the farms.

Mr. BLAIN. When the hon. gentleman took office what did these labouring men get ?

Mr. FISHER. I am informed that the ordinary labourer was paid at that time $1 a day in the winter and $1.25 a day in summer at Ottawa. I have no details of what was paid in the west.

Mr. SPROULE. What difference do you make now between wages in winter and summer, if any ?

Mr. FISHER. Now, they generally average a dollar less per week in winter than in summer.

Mr. INGRAM. The hon. minister mentioned some increases in salaries and some additions to the staff of officers that he proposes to make. Will he give us a statement of these ?

Mr. FISHER. I think perhaps I did not express myself correctly. I have been increasing the staff and salaries. The actual scale on the farms to-day requires this extra $10,000 to meet the increases which have been made in salaries and in the staff. During the last year I have appointed Dr. Charles E. Saunders to the office of experimentalist here. That has reference to plant breeding. Dr. Saunders the director has himself for many years been conducting ex-

periments in the breeding of plants, the breeding of new varieties both of wheat and fruit. This is a very special class of work requiring expert knowledge and treatment. I found very soon that Prof. Saunders was overburdened with the work and responsibility that were thrown upon him, and that it was impossible for him to continue to deal with this work which requires extraordinary attention to detail. At certain seasons of the year the experimentalist has to watch very closely every little detail and every change in connection with the experiment which he is carrying on. It was utterly impossible for the director to do this and attend to the general management of the whole of the farms. I felt it necessary to have somebody who would be specially charged with this work. There was some assistance which a new man coming in would be able to render the director and relieve him of some of the very onerous duties which he had been carrying on for many years and in the performance of which he practically endangered his health. Dr. Charles Saunders is an expert in this particular work. There are very few in Canada who have studied and practised plant and fruit breeding and I was glad to secure the services of a gentleman who had studied under Dr. Saunders, and who had shown expert knowledge. Within the last year I was obliged to appoint another assistant chemist to cope with the increased work. Mr. H. W. Charlton was appointed to this office, I think two years ago, but it is an increase the full effects of which we are trying to meet this year by the supplementary vote.

Mr. INGRAM. It is not an increase, if he was here last year.

Mr. FISHER. It is not an increase for next year, but I will be obliged to ask for a supplementary vote of $10,000 so as to overtake arrears. I do not expect any increase next fiscal year. The work that is done on the farm to-day would require for this fiscal year $100,000, and I am asking $100,000 for next year. We had to pay during the currrent year certain amounts, the obligations for which were incurred last fiscal year, when I did not get any extra vote.

Mr. INGRAM. What are the arrears ?

Mr. FISHER. It is rather hard to say which individual thing incurred these arrears. There were a number of expenditures incurred last year which the vote of last year did not meet and which had to be paid out of the vote of this year. I believe that the supplementary vote of $10,000 will clear up all the expenses to the end of this fiscal year, and I hope $100,000 will be sufficient to cover entirely the expenditure of the next fiscal year. I also added Mr. Fortier as an assistant to Mr. Gilbert in the poultry division. Mr. Gilbert's time has been so taken up with addressing public meetings and institutes and forwarding information with reference to poultry, that he has not been able to undertake any new experimental work for several years back, and for which there is a great necessity. There have been greatly increased demands from the French Canadian farmers of the province of Quebec for information about everything connected with poultry, and I felt it would be very important to have a gentleman who could give explanations in French as Mr. Gilbert does in English. Mr. Fortier commences with $700 per year ; he was engaged last September or October.

Mr. INGRAM. Is he provided with a house ?

Mr. FISHER. No. $700 is all he gets and of course his travelling expenses. Last autumn there was an additional typewriter put into the office whose name is I think, Mr. Dupuis, or something like that.

Mr. INGRAM. Does that include all in connection with what you call salaried officials ?

Mr. FISHER. I am just informed that last year there was a Miss Hagar added to the staff at $480 a year. This young lady was employed at some special tabulated work of a scientific character in connection with the results of some experiments.

Mr. SPROULE. How many employees were on this farm in 1896 ?

Mr. FISHER. I could not say off-hand.

Mr. SPROULE. How many were there three years ago ?

Mr. FISHER. I can only give an estimate which has been made on the spur of the moment by the director, that there are about four now where there were three then. There are about 100 on all the farms, of whom about 75 are on the central farm. The officers and office staff number about 25 and the farm employees about 50.

Mr. SPROULE. Can the hon. gentleman tell us the cost of the salaried officials of the Central Experimental Farm ?

Mr. FISHER. The total amount of the salaries for all the farms, including the managers of the branch farms and the office help, is $33,498. The Auditor General's Report shows that the salaried officials of the central farm last year cost $23,296. It would be a little more now, owing to the increases which I have mentioned. The wages paid to all employees below the salaried officials amount to the following : Central, $21,000 ; Nappan, $4,800 ; Brandon, $5,600 ; Indian Head, $5,300 ; Agassiz, $4,400.

Mr. DANIEL. I notice by the report of the minister on the experimental farms that

some experiments were made at Nappan in the keeping of bees, and the only report on them that I can find is the following :

Six colonies were put into winter quarters last December. All died during the winter.

This does not give us very much information on bee-keeping. The report should give us the reason why all these died. The weather is no colder down there than in other parts of Canada where bees are successfully kept.

Mr. FISHER. I have not any further information on that point, except that the director informs me that all over Canada last winter there was an extraordinary mortality of bees. If there had been any special reason for the death of the bees in that case, I think it would have been stated in the report.

Mr. DANIEL. It seems rather remarkable that they all died, that there was not a single bee left. I think bees flourished in other parts of the country.

Mr. COCHRANE. It is a strange thing that we are paying gentlemen of scientific knowledge to keep bees, and the only information we have is that they all died. We have not a bee left to tell the story. We have a Minister of Agriculture, and when we ask him for information he cannot give it. What is he here for ? I want to tell the hon. gentleman that there are plenty of men keeping bees in the riding which I represent, and those bees did not all die. We have an experimental farm, and I, as a farmer, am prepared to pay any reasonable amount for the management of the experimental plots ; but I am not prepared to pay for a deputy to take care of hens, and when we ask for information the minister tells us he has not all the details. The details of the hen department are something like those of the bee department—we have an account of what we pay, but not of what we receive from it. I am willing that we should pay any reasonable amount for the experimental plots, but when it comes to paying nearly $22,000 for help on a farm of some 200 or 300 acres, it is difficult not to enter a protest. In my opinion, if the hon. minister cannot make the farm pay, leaving the experimental plots out of the question, he should get out of the business. How many acres in that farm ?

Mr. FISHER. 465, of which 200 are worked as a stock farm, and with the exception of the ground taken up by the buildings and their surroundings the rest is devoted to experimental work.

Mr. COCHRANE. And we pay $21,000 for labour on that 200 acres ?

Mr. FISHER. $21,000 covers all the labour, including experimental work, arboretum, vines and shrubberies, orchards, gardens and everything else.

Mr. COCHRANE. I have heard a good deal of that orchard. In our section of the country, we would not consider that orchard kept in proper condition at all. The farm, outside the experimental plots, should pay its way, especially a farm which has the advantage of the care of so many scientific men, and for which you can obtain any quantity of cheap manure in the city. If you cannot make it pay, what is the use of keeping it ? I see that we pay in the neighbourhood of $2,000 for feeding stock. What experiment is there about feeding stock ? The farmers in the section I have the honour to represent know as much about feeding stock as any of the gentlemen on this farm. Unless the hon. gentleman can succeed by experiment in devising some method of feeding stock cheaper than it costs now, there is no advantage in having stock on the farm at all. Judging by the information given us by the Agricultural Committee, if it costs as much to feed and fatten stock in our section as it does on the experimental farm, every farmer who feeds stock would lose money. What is the use of experimenting in keeping milch cows if you cannot raise enough on that farm to feed them ? And all these men who are employed on the farm are kept around the buildings all winter. How long could the hon. minister run a farm of his own if he had to keep all the men employed all winter ?

Mr. FISHER. The great bulk of the labour on the farm is expended on experimental work. In the farm report there is a full statement of the expenditure in connection with the 200 acre farm which is run as a stock farm. Out of 465 acres, only 200 are run that way. The rest are given to experimental work which brings in no return at all. But we have been complimented on that work over and over again by all sorts and conditions of people and from all sides of politics. The labour expended on that is much greater than the labour employed on the 200 acre farm which is set aside for stock. Over two-thirds of the whole wages are spent in experimental work and the work about the grounds and the arboretum and that kind of thing. There is an account kept at the farm of the labour on each branch, and although it would be a considerable task to work it up, I could obtain from the book-keeper a statement showing how much labour is charged against each individual piece of work. Page D—37 of the Auditor General's Report, contains a summary of this kind of work. At the bottom of the page the hon. gentleman will find a division on a certain scale of the different expenditures. This is not all wages.

Mr. COCHRANE. Salaries of officials cover $23,296.29.

Mr. FISHER. That is not wages at all. Just below that are the farm wages $21,000.

But if the hon. gentleman will look at the bottom of the page he will see a division of this expenditure under different headings. The different departments have some expenses besides labour.

Mr. COCHRANE. I would like the hon. gentleman to explain the difference between 'farm work' and 'care of stock.'

Mr. FISHER. The hon. gentleman can put them together if he chooses. Farm work is one thing, but care of cattle includes a good deal of experimental work. When a man feeds cattle for experimental purposes, he must take a great deal more time than where cattle are fed merely with a view to profit. In the experimental work the feeding requires careful measuring, weighing and accounting, and all this means labour and expense.

Mr. COCHRANE. If my information is correct, the hon. gentleman's experiment in fattening stock resulted in greater expense than we get for the beef in the section I represent. If that is the case, the experiment is useless.

Mr. FISHER. I do not know what report the hon. gentleman refers to, but, as a rule the experiments in feeding at the farm have been profitable—that is they show that the farmer who carried on feeding in that way would make a profit.

Mr. COCHRANE. Yes, that is very well, being in a city like Ottawa. But if that were carried on in my section, it might not pay.

Mr. FISHER. Of course, we cannot work the farm at Ottawa as if it were in Northumberland.

Mr. COCHRANE. But if its experiments are such that farmers in the country cannot carry them out, they are in reality a failure. He may make a success of feeding when he sells the beef at 75 cents to $1 per hundred more than we can get. But if we fed on that basis, we would be losing money.

Mr. FISHER. The hon. gentleman (Mr. Cochrane) forgets another thing—that when the experiments are being carried on, different systems of feeding are tried one against the other. While all may show a profit, one will show more profit than others. Even where loss occurs, the information so gained is valuable to the farmer, because he needs to be warned against mistakes as well as advised what he should do. It is of the very nature of experiment that some things should fail.

Mr. COCHRANE. How long does it take a scientific gentleman to arrive at a conclusion. The Minister of Agriculture, with his scientists about him has been experimenting for seven or eight years. How long a time is required ?

Mr. FISHER. That depends on how much knowledge is required. If a man is contented with a little he can arrive at it very soon, but if he desires a great deal of knowledge it will take much more time to acquire it.

Mr. COCHRANE. That is about as much satisfaction as we generally get. The minister takes a long time to explain, and when he reaches his conclusion, we are in just as satisfactory a position as we were before he commenced. Does he tell me and the farmers of this country that it requires eight or nine years to come to the conclusion what is the best way of feeding an animal so that he may give us practical advice as to the way in which beef can be most cheaply produced ? I think it is worse than a humbug to talk to the farmers in that way, to tell us that it will take us long to get the information we want as the information we want is great. I am here to say that, at the end of eight or nine years scientific men should have been able to reach a conclusion as to the cheapest way to feed an animal.

Mr. INGRAM. I understand the scientific feeders of stock at the farm do not feed the same as my hon. friend from East Northumberland does.

Mr. FISHER. I do not know how that hon. gentleman (Mr. Cochrane) feeds.

Mr. COCHRANE. I feed to make a little money.

Mr. FISHER. If the hon. gentleman makes money, I congratulate him.

Mr. INGRAM. I understand the hon. minister to say that in the experimental feeding of stock different quantities are fed to different animals in the same group, whereas in the ordinary commercial feeding all would be fed the same. Of what advantage is this scientific feeding to the practical farmer ?

Mr. FISHER. I was speaking of the difference in cost of the different methods of feeding. Even under ordinary conditions, a man, who is what we call a good feeder will recognize the difference of individuality in the animals, and he will give each the quantity of feed of which it can make the best use. We try experiments not with one animal, but with a group of animals.

An hon. MEMBER. The same herd.

Mr. FISHER. The same herd. But we attempt to get groups of animals which will as much as possible correspond with one another. Take, say, a dozen steers here and another dozen as nearly as possible like them in another group. We feed one group in one way all winter, or a certain number of months, and another group in another way for the same number of months, and note what the results are. I think the farmers will recognize that there is a good deal of individuality in each animal, and if we were to experiment with a single animal

the result would be of little value. We have to take large groups of animals in order to make a fair test. Sometimes we have even to duplicate the experiment before we are in a position to give forth a statement which the farmers may depend upon. In that respect I wish to compliment Prof. Saunders because he has been exceptionally careful, in sending out reports, to send only those upon which the farmers may rely and may base their work. I think the reputation of the experimental farms on this continent and wherever their reports reach, has been largely due to the fact that the work has been done with great care, and no hasty conclusions have been jumped at. If to-day the reports of the experimental farms are received as authoritative, it is due to the extreme care and accuracy with which experiments have been conducted. I do not think my hon. friend realizes the amount of extra work, of extra labour, of extra time and extra money which must be put upon these experiments to give them that character.

Mr. INGRAM. The hon. gentleman says he arrives at an average by experimenting with different groups of animals. We had one of the employees before the Agricultural Committee who told us that they fed one animal in one way, and another animal of the same herd and in the same stable in another way; they were not grouped together in the way the minister describes.

Mr. FISHER. There are different classes of experiments. The experiment he alluded to was feeding dairy cows, not herds. If the feeder was feeding a group of shorthorns he fed each individual in that group to the best advantage in order to show what that group could do, each of them was dealt with to the best advantage. Another group of cows was also dealt with, each to the best advantage. The experiment I referred to was where a group, say, of ten or a dozen steers were taken and fed in a certain way to see how much gain they would make in a certain period; and another group were fed in a little different way. For instance, we have been making experiments between one group of steers loose and another group of steers tied up. but feeding them in exactly the same way in order to see which group would make the most gain. It is evident that it would be more economical for the ordinary farmer to feed his steers loose than to feed them tied up. if they made equally as much gain. We have had varying results. The first year the result of that experiment was a little different from the result of the second years experiment. Although we have now been going on for three years, we may have to go on three years more before we can arrive at such a conclusion as can be relied upon. Those that are tied are tied with a chain around the neck, and the chain is attached to an iron rod. I think the first seasons' work was in favour of the group that was tied up, and the next seasons' work was in favour of those that were loose. It is of great benefit to the farmers to be able to get such experiments made for them. In issuing these bulletins of the reports, we try to give as many details as we can without encumbering the statements.

Mr. ALCORN. The minister has spoken of experiments in feeding different herds of cattle, but these experiments must necessarily be made upon a large scale with a considerable number of animals. Does he think that the whole experiment is of general benefit to the ordinary farmer in the community?

Mr. FISHER. Yes. The ordinary farmer does not need to do all these things for himself. After he has obtained the results from the experimental farm he can say: Such and such a method of feeding animals has been tried and proved to be the best. I will adopt that method.

Mr. ALCORN. Can he in reality practically follow the method prescribed in the bulletins?

Mr. FISHER. Yes, there is nothing to hinder any farmer who keeps stock from feeding his animals in the same way as they are treated in the experimental farm.

Mr. ALCORN. Will the hon. minister say it is practicable for every farmer in the country to pursue the methods prescribed in these bulletins to his own pecuniary profit?

Mr. FISHER. Yes, there is no doubt whatever that if he would take the reports and bulletins as issued and use a little common sense in applying what he finds there to his own conditions and circumstances, he would be immensely benefited. As a matter of fact we know that a very large number of farmers do find that they are benefited because we get countless letters from farmers, some of them asking questions, but explaining that they have been very much interested in what they have read, that they have applied the methods and that they have derived great benefit from them.

Mr. COCHRANE. If the farmers have been so much benefited by the information received from your bulletins why are you going on with the experiments still? The question is how long you are going to continue these experiments to arrive at a conclusion.

Mr. FISHER. We will have to continue these experiments as long as the world goes on and agriculture lasts. There are constantly arising new problems to be dealt with in this country and to stop

where we are would simply be stopping after we had progressed only a small distance upon the road to the attainment of knowledge.

Mr. COCHRANE. That is hifalutin.

Mr. FISHER. It is not hifalutin. It is a simple fact and I am glad to know that we realize that in the agriculture of this continent there are problems which have to be solved.

Mr. COCHRANE. We know all that.

Mr. FISHER. Then the hon. gentleman knows it all.

Mr. COCHRANE. No.

Mr. FISHER. If the hon. gentleman does he is in a hopeless condition.

Mr. COCHRANE. I want to tell the hon. gentleman that I made no such statement. It is just such gentlemen as he that are in that deplorable condition that they know it all. There was a member of this House, Mr. McMillan, who satisfied himself years ago in reference to the feeding of animals tied up or loose in the stalls and that gentleman was one of the most practical men I ever met with here.

Mr. FISHER. He was.

Mr. COCHRANE. And he settled the question that the hon. gentleman is trying to experiment with.

Mr. INGRAM. Some hon. gentleman seemed to think it remarkable that I should ask the hon. minister how cattle should be tied. Of course they are not practical farmers and they do not understand it. Do I understand the hon. minister to approve any particular method of tying cattle in the stables ? Take milch cows.

Mr. FISHER. If the hon. gentleman asks me as a farmer what I would do, I would be glad to give him my opinion, but I would not like to give it authoritatively as Minister of Agriculture.

Mr. INGRAM. That is the gentleman I am asking.

Mr. FISHER. The Minister of Agriculture ?

Mr. INGRAM. Yes.

Mr. FISHER. There are a great many methods of tying up cattle, some of which may be found more convenient in one barn than in another. There are certain things which are required to be considered in tying up cattle and if the results desired are obtained by tying them by one method in one barn they may not be obtained by tying them by that method in another barn. As a matter of fact I am reconstructing my own stables on my farm, and while there is one method of tying up animals which I think the best, it is not convenient to put it in my stables and therefore I have to adopt the second best method. But that is a matter of private information that does not apply to the general subject.

Mr. HENDERSON. The hon. minister has taken several minutes to tell us how cattle should be tied up. I would like if he would devote one minute to answering the question of my hon. friend and say which is the best method.

Mr. FISHER. I cannot answer that in one word, because under one set of circumstances one method may be better than another method under a different set of circumstances.

Mr. INGRAM. Would the hon. gentleman recommend for milch cows the method known as stanchion tying ?

Mr. FISHER. I have put swing stanchions in my own barn.

Mr. INGRAM. That is where the head of the cow is placed between two posts and the cow can work its head up and down, but not sideways.

Mr. FISHER. I said swing stanchions and not fixed posts. These stanchions are made of two uprights with cross-pieces at the top and bottom. The top is fastened with a little chain with a bar at the top and bottom and a chain below. The result is that the stanchion plays fast and loose and the animal can put its head wherever it likes.

Mr. INGRAM. Supposing that at night the milch cow is asleep——

Some hon. MEMBERS. Oh.

Mr. INGRAM. I am getting down to practical farming. The hon. gentleman used the term of swing stanchion. When the milch cow is sleeping, can she sleep as nature intended when a stanchion such as he has described is used ?

Mr. FISHER. Yes.

Mr. INGRAM. Will the hon. minister tell us really how nature intended the cow to sleep ?

Mr. FISHER. If the hon. gentleman had watched milch cows sleeping as often as I have, he would know without any difficulty.

Mr. INGRAM. I am bound to say that there are a good many who do not know.

Mr. FISHER. I have seen them often. They sleep just the same as human beings. Some sleep in one position and some in another.

Mr. INGRAM. That may be very satisfactory for the minister, but for practical farmers it is very unsatisfactory. I suppose

we will admit that to have milch cows produce the best possible results, you must, in the matter of rest, adopt such a method as will allow them as nearly as possible to conform to the conditions of nature. If the animals are compelled to occupy positions which are unnatural they will not produce such good results. This is a serious matter as regards milch cows. It is a very serious matter, and I want to point out to those hon. gentlemen who think they are farmers, but who are not practical farmers, that by reason of the use of vertical stanchions, which do not allow the milch cow to sleep or rest as nature intended, the cow does not produce the same as she would if she were left to rest as nature intended. I was expecting to hear from the hon. minister that in the matter of these upright stanchions he would not, as Minister of Agriculture, recommend such a mode of tying milch cows. I have listened to some very able lectures, and I confess that the ablest lecture on milch cows I ever listened to was by a lady, who advanced the theory that you should apply the same rule to dumb animals that you apply to human beings, and treat them with the same kindness. That lady came from Wisconsin, and she knew more about dairying than any half dozen of the so-called professors I hear going around the country.

Mr. ARMSTRONG. According to the Auditor General's Report, Page D—36, you have expended $59,287.60, less proceeds of sale of 61 steers, amounting to $4,082, leaving a balance of $55,205.60. Does that show a loss of that amount on your operations ?

Mr. FISHER. No ; we buy steers and fatten them for experiment and sell them again. The purchase price goes against the expenditure, and the selling price goes in as an offset to the general expenses of the farm. The money from the sale of crops, fruit, &c., goes into the consolidated revenue account. In round numbers, there are generally sales of $5,000 or $6,000 from the Central Experimental Farm of various products, which do not appear in this account. The suggestion that this is a balance against the farm is not correct, but even if it were we do not pretend that the sales from the farm cover the expenditure. The expenditure is for the purpose of carrying on experiments, and not for raising crops or fattening animals to sell. Some of these steers were fattened for experiments by various methods and sold in the spring, whereas, if we tried to make money out of them as an ordinary farmer would, fatten them off by what we considered the best method and probably make more profit.

Mr. ARMSTRONG. Well, that is the loss, including the cost of experiment ?

Mr. FISHER. No ; there is included in that $55,000 the salary of the director, of the scientific staff, the work of distribution of bulletins, the distribution of seed, the care of the arboretum, the care of the grounds and buildings, and all that kind of thing.

Mr. SPROULE. One would expect that there would be some return from the poultry business, for instance. Poultry can only be raised for two purposes—for sale as food or for the eggs the hens lay. For last year we have a cost of $1,588 for poultry and a return of $322. The farmer who would not be able to make a better showing would soon reach the poor-house.

Mr. FISHER. The expense of the poultry division includes the salary of Mr. Gilbert who attends to the poultry, and who spends a great deal of his time travelling about the country and addressing public meetings on poultry matters. It also includes the cost of experimental work, such as the comparing of different breeds and ascertaining the results.

Mr. SPROULE. The keeping of fowls is not like the care of an experimental plot from which very little return would be expected. One would suppose that the poultry would be kept in such a way as to show what kind of a return a farmer would have from the work.

Mr. TAYLOR. Is the arboretum a new idea started lately?

Mr. FISHER. No, it was started very soon after the beginning of the farm.

Mr. TAYLOR. Can the hon. minister give me the total expenditure in connection with the Central Experimental Farm for the year 1902-3 ?

Mr. FISHER. There are certain expenses which apply to all the farms. At the end of the farm report of last year will be found a statement of expenditure on Dominion experimental farms for the year. It shows a total expenditure on the Central Experimental Farm of $44,104.36, against which is to be set the proceeds from the sale of steers amounting to $4,082, leaving a total expenditure of $40,022.36. This, however, does not include the whole of the salaries of the officials, which are apportioned to the different farms in what is considered by the director and the accountant to be a fair and proper proportion ; and the Auditor General has sanctioned and endorsed that division.

Mr. ARMSTRONG. The total expenditure is stated in the Auditor General's Report to be $55,205.

Mr. FISHER. In that case the total salaries of the officers are charged to the Central Farm ; but though they reside here, a good deal of their correspondence and distribution and other work is divided among the different farms.

Mr. TAYLOR. Am I to understand from the hon. gentleman that the statement which he has just read from his report is a correct statement of the total expenditure in connection with the farm for the year 1902-3 ?

Mr. FISHER. That is the statement my official gives, and I suppose it is correct. It has been audited by the Auditor General.

Mr. TAYLOR. I will give the hon. gentleman a statement from the Auditor General's Report, and I will ask him and his officers to contradict it if they can. At page D—36 the total expenditure charged to the Central Experimental Farm for the year 1902-3 is $59,287.60, and that is only a portion of the expenditure. At V—94 there is another expenditure charged of $9,996.92, made by the Public Works Department and charged to the experimental farm; making a total expenditure in connection with the experimental farm of $69,284.52 last year. Is that correct ?

Mr. FISHER. What the hon. gentleman says is taken from the Auditor General's Report is correct so far as it goes ; but I have given the hon. gentleman a statement in regard to the division of certain work among the different farms.

Mr. TAYLOR. That is taken into account by the Auditor General in these amounts.

Mr. FISHER. I am informed by the director that that is not the case.

Mr. TAYLOR. The total expenditure is as I have stated, and from that the proceeds from the sale of the steers, amounting to $4,082, is to be deducted. I want the hon. gentleman to verify or contradict that if he can.

Mr. FISHER. I can only say to the hon. gentleman that I am assured by the director that the total expenditure there given includes the total salary of the director, the total salaries of all the officers of the experimental farm, and all the work done at the experimental farm for the various other farms. It also includes the cost of the purchase of steers amounting to $2,787.85. With regard to the item of the Public Works Department, that is totally different. There are constantly required repairs and additions to the farm, and for that purpose we have in the Public Works Estimates an item of $10,000 for repairs and maintenance of all the farms, not the Central Farm alone just in the same way as the Public Works Department maintains the buildings and all the public buildings of the country.

Mr. TAYLOR. If my hon. friend were a practical farmer, as he pretends to be, and purchased supplies and kept accounts, he would keep an account of everything in connection with his farm.

Mr. FISHER.

My hon. friend claims to be a practical farmer, but he has not given us any evidence of it. A practical farmer, when he purchases supplies, would keep an account of every item and charge that item against the proper department. But to find out what this thing is costing the country, we have to look not only at the experimental farm accounts but at the public works accounts. The total cost of the farm last year, according to the Auditor General's Report was :

D—26..	$59,287.60	
V—94..	9,996.92	
		$69,284.52
Less revenue, sales of stores D—36..	$ 4,052.60	
Other services, D—125.. ..	2,974.00	
		7,056.00
		$62,228.52

Showing a net loss to the country on the running of this farm of $62,228, without making any charge for interest on the investment. What farmer could run his business at that rate and keep it going ? My hon. friend charges up the loss against experimental work, but I would refer him to the record of his predecessors, and he will see by the Auditor General's Reports that this same work was done as well, if not better, in every department by his predecessor and at much less cost to the country. Let me compare the expenses under the Grit administration and the Tory government. In 1895-6 according to the Auditor General's Report, the expenditure was : B—7, $34,205.87 ; Q—70, $5,999.44, making a total expenditure under the late administration in 1895-6 of $40,205.31. From this deduct the revenue $3,784.74 and you have a loss of $36,420.57. That loss has been increased by $30,000 under the hon. gentleman. Let us go into this question further so that our farmers may know what this practical farmer is costing them. I shall take the Auditor General's Report for 1895-6, under the heads of departments which then existed and which are continued to-day, and not including the great number of new departments which the hon. gentleman has established :

	1895-6.	1902-3.
Salaries in general..	$3,434 43	$5,974.46
Farm work	3,929 99	5,073 23
Care of stock	1,738 45	3,087 45
Dairying department ..	323 36	611 02
Horticultural department.	2,163 57	4,896 37
Chemical department.. ..	191 74	4,332 62
Botanical and entomological	275 75	3,755 06
Poultry department	416 91	.....

And Mr. Gilbert was running that department then as he is to-day.

Mr. FISHER. Mr. Gilbert's salary is not charged up there.

Mr. TAYLOR. A proportion of it is. Mr. Gilbert's salary and Mr. Saunders' and all

the salaries were combined and a portion charged to each of the farms then established at Nappan, Indian Head and elsewhere.

Mr. FISHER. Not in the figures which the hon. gentleman is reading.

Mr. TAYLOR. Yes, the hon. gentleman can verify it for himself by the Auditor General's Report. Mr. Gilbert's salary is now charged to the Central Farm, but then it was divided as was Prof. Saunders'.

	1895-6.	1902-3.
Poultry department	$ 416 91	$1,588 93
Forestry department ..	1,502 82	1,302 51

The hon. gentleman has not increased the forestry department although he has increased the arboretum very largely. I find the office expenses in 1895-6 were $1,760, but under the hon. gentleman's administration they have increased to $4,395.06. The hon. gentleman has stuffed the place full of political hangers-on from cellar to garret, which accounts for this large increase in expenditure, and all these men are not doing more work than the others did.

	1895-6.	1902-3.
Drainage	225 50	$1,546 72
Drawing manure	299 05	213 56
Distribution of seed grain	781 80	1,613 67
Seed testing and greenhouse	775 50	1,089 19
Preparing exhibits	212 60	388 81
Arboretum	341 88	1,730 24
Distribution of bulletins.	525 50	75 00
Fencing	175 13	.....

Last year the hon. gentleman did not purchase any unless it went through the Public Works Department.

	1895-6.	1902-3.
Contingencies	$3 875 00	.....
Apiary, a new account ..	.....	32 00
Roadmaking, new account	.....	12 81
Experimental department, new account	.....	2,655 07
Drawing gravel	.....	104 00

Nothing was charged in 1895-6 for the experimental department, but the hon. gentleman has expended $2,655. The total of these items in 1902-3 taken from the Auditor General's Report,—and there are travelling expenses and other items amounting to $11,000 which I have not taken into account—amounts to $44,478.28 as against $19,173.25 under Conservative rule. Adding the $11,000 to this makes a total of $55,000 against the $19,000 under the Conservative administration. I remember the late member for Huron keeping us here until daylight, dilating on the extravagance and iniquities in connection with running the experimental farm by the late government, when that farm was run at $30,000 less than it costs to-day. To-day we have a net loss to the country on the running of this farm as I have shown, of $66,000 as compared with $36,000 under the late government, and there is not a man in the House—not even the hon. gentleman and his professor who is sitting beside him—who can say that there is more efficient work done to-day on that farm than there was previous to these gentlemen taking office. They are spending a lot on travelling expenses and fads, such as we were given an example of in the cheese curing station at Brockville. Here is a loss to the country of $62,228 on this experimental farm. My hon. friend beside me gave an illustration of the way things are done when he showed that $1,500 was spent on chickens which gave only a revenue of $300. But that is a small affair compared with what the hon. gentleman is doing all over the country. I would like to explain how it comes that he has increased the expenditure in connection with the experimental farm at Ottawa from $49,000 to $69,000. What is he doing for the $30,000 increased expenditure that he has put upon the farm ?

Mr. FISHER. I have not looked at the Auditor General's Report of the several items the hon. gentleman (Mr. Taylor) read. I can only say that, on the face of them they show that the items are not compared on the same basis. For instance, the hon. gentleman quotes one item for something like $4,000 or $5,000 for salaries, and puts that against another item of $59,000 and says they are on the same basis. It is evident that these two figures do not represent the same service. Why, Professor Saunders has had a salary of not less than $4,000 a year ever since he became connected with the Experimental Farm, and we have always had nearly the same staff of officials as now.

Mr. TAYLOR. I said that at that time the salaries of the heads of this service were distributed over the different farms, so that a proportion of Professor Saunders' salary would be charged at Nappan, a portion at Indian Head and so on. Will the hon. gentleman (Mr. Fisher) tell me what the salaries of all the officials on the farm at Ottawa were last year ?

Mr. FISHER. The amount was $23,296.

Mr. TAYLOR. I gave $5,974, and that is all that is charged in the Auditor General's Report.

Mr. FISHER. But he gives the total at $59,000 and that includes the whole $23,000 of salaries.

Mr. TAYLOR. I gave the hon. gentleman the total of over $59,000, quoting the Auditor General's Report, and there he will find the items which makes up this total sum. The hon. gentleman (Mr. Fisher) has the Auditor General's Report before him. Let him contradict one single statement of mine, if he can.

Mr. FISHER. The items the hon. gentleman refers to do not make up the total of

$59,000. The total given at page D—38 is $44,478.28.

Mr. TAYLOR. Then, the hon. gentleman (Mr. Fisher) had better let this item stand until he can come down prepared to give the committee and the country a statement showing the total expenditure on this Experimental Farm at Ottawa, and the revenue, so that we may know what it costs. The hon. gentleman contradicts the Auditor General's Report.

Mr. FISHER. Not at all, I am quoting from the Auditor General's Report.

Mr. TAYLOR. If he is ready to accept the Auditor General's Report, then he must take the figures I have given, because they are from that report. If he is not satisfied, let him bring down a statement showing the expenditure and revenue with regard to this farm.

Mr. INGRAM. I think the minister (Mr. Fisher) and the hon. member for South Leeds (Mr. Taylor) are both right. On page D—38, we find the figures which have been correctly given by the minister, while on D—29, we find the amount for salaries $5,974.96. Where is the misunderstanding?

Mr. FISHER. There must be some difference in the way the salaries are divided. I do not know exactly what the difference is. The director informs me, in regard to salaries that, as the details are given, the director's salary and the accountant's salary are divided among all the farms. But the salary of each official is put in that official's department. For instance, Professor Fletcher's salary is put in with the entomological and botanical division. There can be no doubt that, as my hon. friend from East Elgin (Mr. Ingram) says, there is a difference in the way these two items are made up. The hon. member for South Leeds has given one statement from the Auditor General's Report, while I was looking at another in the same book.

Mr. INGRAM. Where the explanation is, I am bound to say, I do not know.

Mr. FISHER. I do not know the difference. They are both in the Auditor General's Report, and both correct, I suppose.

Mr. ARMSTRONG. When the hon. gentleman brings us the information with regard to this matter, I would also like him to bring us some explanation with reference to this bee trouble. I find that over $140 was paid in wages to look after these bees, and the bees are dead.

Mr. FISHER. The bees the hon. gentleman speaks of were in Nova Scotia, the bees at the experimental farm are not dead.

Mr. INGRAM. What amount of poultry have you?

Mr. FISHER. There are about 200 birds and 400 or 500 chickens this spring.

Mr. TAYLOR. To satisfy the minister that I was right. I may say that I have in my hand the Auditor General's Report for 1895-6 giving the salaries at the experimental farm, on page A—10. Prof. Saunders' salary is $4,000, the accountant's $900, the stenographer's $920, assistant accountant's $468, making a total of $5,888. Then on page B—9, 1896-7, the total expenditure at the Central Experimental Farm is given as $40,294. About the same figure as I gave for the previous year, $40,205, when our friends were in power.

Mr. FISHER. The salaries at the experimental farm are given at $17,766. I find just below that the whole of Mr. Shutt's salary was charged to the chemical department.

Mr. TAYLOR. I gave in my statement the items for the chemical department.

Mr. FISHER. I shall have to examine this, I will look into it.

Mr. TAYLOR. I see by the Auditor General's Report that the total expenditure is $69,000, less receipts of $7,000, showing a loss of $62,000.

Mr. SPROULE. We had better leave the item until we get this information, because there are many other questions we would like to discuss.

Mr. FISHER. The statement in the report is in just the same form as it has been for years back. The Auditor General himself goes over that with the accountant of the farm and endorses it according to the accountant's statement. It is just as much endorsed by the Auditor General as are the details in his own report. I am not acquainted with the exact methods by which it is made up. I could not get the details without the assistance of the accountant and his books, and I do not think any member would have the patience to go through them. Still, if the hon. gentleman insists upon it I will get it.

Mr. TAYLOR. The hon. gentleman admits himself that his statement and the figures that appear in the Auditor General's Report do not agree.

Mr. FISHER. I find on page D—36 and 37 that the statement in the Auditor General's Report is exactly the same as I gave, only it is divided in a different manner. In the experimental farm report the statement is divided into certain lines, and in the Auditor General's Report it is divided in a little different way, but the total is almost exactly the same, namely, $44,478, while in the farm report the total is $44,104, a difference of only $374.

Mr. TAYLOR. If the hon. gentleman will look at the Auditor General's Report he

will find that $24,000 is exclusively for the wages of the staff. It includes that and nothing else.

Mr. FISHER. In the Auditor General's Report, at D—37 ?

Mr. TAYLOR. D—36 and 37. It says : Professor Saunders, $4,000, and it proceeds to give the names of other officials, whose salaries total, in round numbers, $24,000. Then, if you add to that the wages of the farm labourers, you get $44,000. The result is that the hon. minister is paying $44,000 in salaries and wages of officers and labourers, and he has a return of $3,000, to say nothing about the steers. The hon. gentleman does not say in his report that the working of the farm alone cost $44,000. He gives it as the total expenditure, whereas the Auditor General's Report shows that he has paid $44,000 for wages alone when he has only a return of $3,000.

Mr. FISHER. The accounts in the Auditor General's Report at pages 36 and 37, to which the hon. gentleman alludes, refer to the salaries of the general staff.

Mr. TAYLOR. Certainly.

Mr. FISHER. Well, the farm report, to which my hon. friend alludes, at page 429 only includes the proportion of the salaries that is charged by the Auditor General to the central farm. That does not include the whole of the salaries. It is the same all through, and it applies, not only to Professor Saunders, but to the other men who are engaged in the work of the farm.

Mr. TAYLOR. Why did not the hon. gentleman tell the farmers of this country that it cost $69,000 for the making of these experiments and the running of this farm ? He tells them that he spent $44,000, while the Auditor General's Report shows that he spent $69,000.

Mr. FISHER. The Auditor General says that I spent $69,000, but that, in the first place, includes the public works expenditure on the farm, which is not included in the farm report ; and, in the second place, it includes the whole of the salaries of the general staff, which are not fairly chargeable to the central farm alone. The report goes on to give the expenditures at Nappan, Brandon, Indian Head and the other experimental farms, which are not charged to the central farm, but which are charged to these other farms. The aggregate of the whole farm system comes to the same amount in one case as in the other, but in one case it is divided in a certain way and in the other case it is divided in another way.

Mr. ARMSTRONG. I would like to ask the hon. minister if the salaries of the general staff were not included in the year 1895-6 ?

Mr. FISHER. They were included in just the same way.

Mr. ARMSTRONG. Proportionately as they are now ?

Mr. FISHER. In the farm report they were put proportionately, just as they are in the farm report now. In the Auditor General's Report they were included, just in the same way as they are in the present report.

Mr. TAYLOR. Then this comparison must be fair.

Mr. FISHER. The comparison is fair if the same class of division is taken, but the hon. member for South Leeds has taken one division in one year and another division in another year.

Mr. TAYLOR. But my hon. friend must see that by the Auditor General's Report, pages 36 and 37, there is an expenditure of $44,000 absolutely chargeable to the Experimental Farm at Ottawa, not one dollar of which is chargeable to the other farms. If the hon. gentleman will turn to page D—35 he will see that there is an expenditure for contingencies of $128. That is not included in this $44,000. Then there is feed for stock, $930, which is not included in the $44,000. But, if you include all these items, it gives you $59,000 ; and if you add $9,000, chargeable to public works, you get a total expenditure of $69,000. Why does the hon. gentleman not show these figures in the report that he gives to the farmers of this country ?

Mr. FISHER. That report includes the whole of the salaries of the officers. It includes the salary of Professor Saunders at $4,000, for instance, which is not divided at all.

Mr. TAYLOR. Why should it be ? He is giving all his time to the farm here now.

Mr. FISHER. No ; Professor Saunders' work applies just as much to the affairs of the branch farms as to the Central Experimental Farm. The work of all these other gentlemen applies as much to the one as to the other. There is a system of making two divisions of the expenditure. One is shown by the Auditor General at pages 36-37 D of his report, and the other is shown by the farm report, in which the expenditure is divided up according to the farms. In the Auditor General's Report it is not divided according to the farms.

Mr. TAYLOR. Why should it be ?

Mr. FISHER. The sum total is the same in the two. In one case the salaries of the principal officers are proportionately divided between the different farms and in the other case they are not.

Mr. TAYLOR. It should be so stated that the farmers can understand it.

Mr. FISHER. I think they understand it.

Mr. TAYLOR. Not from the hon. gentleman's report. We have all the details of this $44,000 of expenditure, and it is all in connection with the experimental farm here. I am going to give the items which go to make up the $44,000, which added to the $11,000 and the $9,000, make a total of $69,000. We have at page D—36 of the Auditor General's Report the following list :

Salaried Officials ($23,296.29).

Saunders, Wm., director of farms, 12 m. to June 30, 1903	$4,000 00
Brettell, C. T., herdsman, 12 m. to June 30, 1903, at $50	600 00
Charlton, H. W., clerk, 12 m. to June 30, 1903, at $75	900 00
Charron, A. T., assistant chemist, 12 m. to June 30, 1903	1,000 00
Cramp, T. M., assistant accountant, 12 m. to June 30, 1903	758 31
Ellis, W. T.: head gardener, 12 m. to June 30, 1903, at $45 ; taking weather observations, 12 m. at $6	612 00
Fixter, John, foreman of farm work, 12 m. to June 30, 1903	1,100 00
Fletcher, James, botanist and entomologist, 12 m. to June 30, 1903	2,050 00
Gibson, A., assistant botanist, 12 m. to June 30, 1903	700 00
Gilbert, A. G., manager poultry department, 12 m. to June 30, 1903	1,000 00
Grisdale, J. H., agriculturist, 12 m. to June 30, 1903, at $125	1,500 00
Guignard, J. A., clerk, 12 m. to June 30, 1903, at $75	900 00
Hager, Margaret M., clerk, March 10 to June 30, 1903, at $40	149 00
Hay, W. H., accountant, 5 m. to November 30, 1903	416 65
Holz, Herman, foreman horticultural department, 12 m. to June 30, 1903	540 00
Macoun, W. T., horticulturist, 12 m. to June 30, 1903	1,400 00
McMurray, A., clerk, 9 m. to March 31, 1903, at $75 ; less 22 d. in Sept., 20 d. in March at $75	570 00
O'Hanley, M. C., stenographer, 12 m. to June 30, 1903	800 00
Pelletier, Eugène, clerk, 12 m. to June 30, 1903, at $75	900 00
Saunders, C. E., experimentalist, 6 m. to June 30, 1903	600 00
Shutt, F. T., chemist, 12 m. to June 30, 1903	2,000 00
Watson, J. F., stenographer, 12 m. to June 30, 1903	800 00

Then we have a page and a half of the names of farm labourers, whose wages added to those of the officials I have just read, made a total of $44,000. I would like to ask the hon. gentleman how he is going to show the people of this country by his report what the actual expenditure has been, in view of the statement which appears in the Auditor General' Report ? I could give a list of the farm labourers if I wished to detain the House. Their wages, added to the salaries of the officers whose names I have read, make a total of $44,000. The Auditor General's Report shows that the expenditure added to this amounts to $69,000, which, if it is reduced by $7,000, gives a total loss of $62,000. If the hon. gentleman can explain this statement in any way, let him do so before he asks this House to adopt this item, and let him show what this farm is costing the people under his management. I say that last year it ran in debt $62,000 without charging one cent of interest on the investment ; and if the minister can contradict that, I want him to do so.

Mr. FISHER. The Auditor General's accounts are there, and can be dealt with on their merits. If the hon. gentleman wishes to put that construction on the accounts, I suppose I will have to let him.

Mr. TAYLOR. Then the hon. gentleman must admit that he has made a loss of $62,000 on the farm. He says he spent $44,000 and the Auditor General says $62,000, and the minister has plenty of clerks and stenographers at his disposal to find out where the mistake is.

Mr. FISHER. These figures have been submitted to the Auditor General and declared to be correct.

Mr. SPROULE. The Auditor General is not responsible for the kind of book-keeping the Minister of Agriculture adopts. The Auditor General can only ascertain if the money was properly paid out under the various heads for which it was voted.

Mr. FISHER. All the items are submitted to him and classified, and he certifies them as correct.

Mr. ARMSTRONG. Then the statement of the member for Leeds is correct.

Mr. FISHER. He can draw his own conclusions from the figures.

Mr. SPROULE. If the statement made by the hon. member for Leeds is incorrect, it is the duty of the minister to tell us in what respect it is incorrect.

Mr. AVERY. I think it would satisfy both sides of the House if the minister would let the item stand until he brings down that statement.

Mr. FISHER. I really don't know what kind of statement I can bring down. I suppose I could bring the whole books of the farm here and lay them on the table.

Mr. AVERY. We do not want all the books; we just want a detailed statement from the books.

Mr. FISHER. The detailed statement appears in the report.

Mr. SPROULE. Why do they not agree then ?

Mr. FISHER. Because as I have tried to explain over and over again, so far as I can see, the only difference is that one

gives the salaries of the officials divided between the different farms and the other does not so divide them.

Mr. SPROULE. The Auditor General's duty is to examine the accounts to ascertain if the payments made are according to law. But it is not his duty to compile the expenditures under the different headings, so as to show the House and the country the full expenditure in connection with the farm. That is information which should be given by the minister and which the people should know so as to enable them to judge whether we are getting a fair return for our expenditure.

Mr. FISHER. I understand that the alleged discrepancy is between the statement in the farm report, and certain portions of the Auditor General's Report.

Mr. SPROULE. That is one discrepancy, but there may be others which we have not ferreted out.

Mr. FISHER. I am quite sure that I am willing to give any explanation it is in my power to give.

Mr. SPROULE. What the House wants is the expenditure in the various lines connected with the central farm, and the returns which we receive in the shape of revenue.

Mr. FISHER. The revenue, except for the steers does not appear in the farm report, because that goes into consolidated revenue, but it appears in the Auditor General's Report. In the statement at the end of the farm report the salaries of the officials are charged up partly to the central farm and partly to the branch farms. If you look at the end of the volume you will find the entry: salary of superintendent, including portion of salaries for work done at Ottawa. That is charged to each of these different farms. If that is totalled up, it will be found to come to the amount charged in the Auditor General's Report for the salaries of the whole experimental farm system, only in the Auditor General's Report they are put down to the central farm, because these officers live in Ottawa, and their salaries are paid here, though work extends over the whole five farms. in the farm report they are divided and apportioned, but the details of their salaries are just the same in the two reports.

Mr. TAYLOR. If the hon. gentleman will turn to his own report, he will find at page 429 the item: 'Distribution of trees and tree seeds, including $85.58, value of tree seeds supplied by Brandon and Indian Head farms, $157.' Now, if he turns to the Auditor General's Report at page D—32, he will find the expense in connection with the Central Experimental Farm for the distribution of seed grain, trees, &c. How much is the amount there?

Mr. FISHER. $4,562.

Mr. TAYLOR. And the hon. gentleman says in his report that he spends $157 for it.

Mr. FISHER. That is a totally different thing. At page 432 of the farm report, under the summary of expenditure, is this item: 'Distribution of seed grain, potatoes, &c., from Central Experimental Farm, including value of grain supplied from Brandon and Indian Head experimental farms, $5,871.' That work is not done as a portion of the central farm work. It is done for the whole Dominion of Canada. If the hon. gentleman will look carefully at the item of $157, he will find that it is for the distribution of trees and tree seeds, and does not include the distribution of 'seed grain, potatoes, &c.,' mentioned in the other item.

Mr. ARMSTRONG. If I understand the question before the House, the hon. member for Leeds (Mr. Taylor) wishes to find the difference in the expense of running the farm in the year 1895, and in the year 1903. The Minister of Agriculture does not seem to be able to give it. Would it not be advisable for him to examine into that, and give a fair statement to the House? I am sure the people of the country are anxious to have it. The Minister of Agriculture also made the statement that he thought the expenditure on the stock part of the farm would amount to about one-third of the whole; that would be over $18,000. Since then the hon minister has stated that he did not think it would cost nearly that much. Would it not be an advantage for the members of the House and the people at large to know exactly what that stock farm did cost—how much the minister spent on it, and how much was returned from it. I think it would be advisable for the hon. minister to have a statement brought down to the House in regard to these matters.

Mr. FISHER. A comparison between the expenditure of the year 1895-6 and that for the past year can easily be obtained by examining the statements which are put at the end of the reports for both years in the same way. With regard to the expenditure on the 200 acres of land, it is given in detail at page 78 of this year's report. It shows a total expenditure on live stock feeding operations of $10,438.94 and a total revenue of $12,684.20, leaving a balance of returns over expenditure of $2,245.26. There are statements of a similar character with regard to the production of crops on the farm, in respect to grain, hay, roots, corn, pasture, &c., giving all the details.

Mr. ARMSTRONG. The hon. minister stated that there was a balance of $2,000, as I understood him, after he had grown the grain and marketed it. He did not take

into consideration the expense at all of growing the grain.

Mr. FISHER. The grain is taken at its market value.

Mr. ARMSTRONG. But you have not taken into consideration anything about the work of the farm.

Mr. FISHER. The market value of the grain covers all that. The market value is sufficient to cover the cost of raising, and the other portion of the report shows that the market price, which is charged to the animals, is sufficient to leave a profit on the raising of the grain and hay.

Mr. ARMSTRONG. Had you over $2,000 profit.

Mr. FISHER. I say that taking into account the expense of caring for the stock, we have a profit of $2,200 on the operation of feeding. There is another statement showing what it costs to raise so many thousand bushels of oats, so many hundred tons of ensilage and so on, and I say that taking those things at the market price shows a profit on the feeding of the stock. We have a profit first on the raising of the things and second on the feeding of them to the stock. The report of the experimental farm shows that.

Mr. COCHRANE. Does it show the amount paid for labour ?

Mr. FISHER. Yes, on each crop.

Mr. COCHRANE. I understand that you could not give me that information.

Mr. FISHER. I could not give it offhand, but it is in the report.

Mr. HALLIDAY. According to the farm report, page 429, the steers purchased for feeding experiments cost $2,787 and the steers sold realized $4,082. Turn up the Auditor General's Report, D—36, and I find there were 52 steers charged up for feeding purposes, whereas the sales of the steers amount to 61. That statement is very misleading.

Mr. FISHER. On that page there is a statement of 40 steers and then of 12 steers, making 52 in all. The sale was 61, but that must have comprised some steers which we had on the farm and did not have to purchase. We raised some, and I suppose the difference is made up by those we raised. We raise a number of calves every year, and when they get to the selling age, we sell them along with the other steers.

Mr. HALLIDAY. In the farm report the statement is misleading. You purchase so many at $2,787, and the proceeds of your sales were $4,082, making a profit of $1,297.

Mr. FISHER. In the farm report we have been showing the value of the stock at the beginning of the year and at the end of the year. If we sold so many animals at the beginning of the year, it would make that difference, but there were other animals raised which came to take their places.

Mr. HALLIDAY. You have charged $3,080 for feeding the stock and in this report at page 78 there is not near that amount charged.

Mr. FISHER. In that statement we had so many horses, cows and steers at the beginning of the year and so many at the end, and the difference of course is the difference of stock taking. The value of the animals at one date is balanced against their value the other date.

Mr. HALLIDAY. There is a discrepancy of $200 between the farm report and the report of the Auditor General.

Mr. FISHER. I can only account for that by supposing there was some stock on hand.

Mr. HALLIDAY. No, that was for feeding the stock. In the Auditor General's Report there is a charge of $3,087.45 for feeding the stock, page B—37.

Mr. FISHER. That is the care of the stock.

Mr. HALLIDAY. They charge in this item $2,856 for taking care of the stock.

Mr. FISHER. The only explanation I can give is that horses that are working on the 200 acres were charged in the statement of the stock and not the horses working on the arboretum and that kind of thing, whereas the item care of stock on page D—37 includes these.

Mr. TAYLOR. If I understand anything about book-keeping—and I think I do because I have been at it since I was eleven years old, and that is a good while ago now—the explanation of the minister is no explanation at all. The Auditor General's statement seems to be quite correct, whereas the report of the minister is very misleading. If the hon. minister will take his own report, page 429, he will see that the total expense of the Central Experimental Farm at Ottawa is given at $44,104.36. If he will take page D—37, of the Auditor General's Report, he will find charged for salaries in the experimental farm alone $44,478.28. Why do not these figures agree ?

Mr. FISHER. I have already told the hon. gentleman several times, but I will tell him again, that the Auditor General included the whole of the salaries of Prof. Saunders and other officers and that only a portion of these salaries are charged against the experimental farm in my report at page 429. In the farm report, the rest of these salaries are charged in the succeeding

pages to the other farms. In the Auditor General's Report they are not. Therefore, they are not charged twice in either case.

Mr. TAYLOR. If the hon. gentleman will take up the Auditor General's Report and turn to the item beginning D—29, I think I can satisfy him that the total expenditure by the Auditor General's Report is the amount that I stated, not dividing the salaries. That amount is $59,287, and besides there is the amount spent by the Public Works Department to which I have referred. On page D—29 the first item is salaries general detailed (page D—37) $5,974.96. The next item is botanical and entomological department $3.787.56. In that charge there is an item for salaries and wages of $3,755.06. The next item is the chemical department, $4,706.86, in which there is an item for salaries and wages of $4,332.62. The next item is travelling expenses, $1,651.66. And I would ask the hon. gentleman to read the details of that item as given in the Auditor General's Report. and ask his officers what these items for 'sundries' mean. For instance, Mr. Fixter charges for transportation $62.22, living expenses $35.25, and sundries $5.

Mr. FISHER. These are all detailed in the accounts rendered by the Auditor General and passed by him.

Mr. TAYLOR. They are certified by the minister, I suppose, or by the accountant of his department, and the Auditor General has to pass them, no matter whether they represent tips to the waiters, or drinks at the bar, or anything else.

Mr. FISHER. That is not the way the Auditor General generally does. When an expenditure is made of the exact nature of which he is not advised or does not approve he generally protests.

Mr. TAYLOR. The next item is exhibitions, $692.98, which includes an item of wages detailed of $388.81. The next item is telegrams and telephones, $144.06. Then office help, &c., $4,543.71 which includes salaries and wages detailed of $4,395.06. Then comes printing and stationery, $826.68. Then newspapers and periodicals, $109.09. Then seeds, grain, trees, &c., $446.44. Horticultural department, $5,102.92; distribution of seed grain, trees, &c., $4,562.56; seed testing and care of greenhouses, $1,691.39; Arboretum, $1,892.06; forestry department and care of grounds, $1,335.81; live stock, $1,496.08; farm work, $5,082.35; draining, $1,958.06; implements, tools, hardware and supplies, $708.67; blacksmithing and harness supplies, $379.54; manure and fertilizers, $310.42; dairy department, $715.27; poultry department, $1,773.45; bee supplies $218.47; contingencies, $128.06; division of cereal breeding and experimental, $2,805.47; feed for stock, $930.44; museum, $2.50; care of stock, $3,087.45; road-making and drawing gravel, $116.81; steers for feeding experiments, $2,787.85. These items make a total of $59,287.60. Now, will the hon. gentleman tell me how the expenditure in connection with the farm, taking the items I have given as quoted from the Auditor General's Report and the salaries and wages included in which are summarized at page D—37 showing an amount of $44,478.28, agree with his statement. It is true the hon. minister figures the wages and salaries out pretty nearly, but still there is a discrepancy of about $400, because the amount he gives is $44,104,36 as against $44,478.28. Between his statement and that of the Auditor General there is $300 or $400 of a discrepancy. The Auditor General says here that the total expense in connection with this farm is $59,287, yet the hon. gentleman tells the farmers by this report that the experimental farm at Ottawa only costs $44,000. Now by what system of book-keeping can the hon. gentleman contradict the statement of the Auditor General? I have given every detail from his report, every expenditure; let the hon. gentleman bring down a statement if he can that will contradict that. I say that the loss to this country last year was $62,228.52 as against a loss in the last year of the Conservative administration of $36,420.57, dealing with every item in the same way, when the work was done just as efficiently as the work is being done by the hon. gentleman to-day.

Mr. FISHER. I do not think it is necessary to go over the figures again. The hon. gentleman has again deliberately included in the one statement the whole of the salaries of the officials, and applied it to the Central Experimental Farm in the statement of the Auditor General's Report. In the other statement the whole of these salaries are not charged to the central farm, only a portion of them. That is the whole difference, and I have explained it over and over again. I cannot bring down any statement other than is shown by these figures here. They are the figures of the Auditor General's Report in both cases.

Mr. TAYLOR. Do they agree?

Mr. FISHER. The sum total on page 37 is not the same total, the details are not the same, the items are not the same, but because the totals are nearly the same the hon. gentleman has jumped to the conclusion that they ought to be the same. The Auditor General will have to cook the accounts to make them the same. The one includes the whole salaries charged to the central farm; the other includes only a portion of the salaries, but includes a lot of other things which, in the aggregate, nearly makes up the difference in salaries; and because they nearly make up the difference the hon. gentleman jumps to the conclusion

that an attempt has been made to make them the same.

Mr. INGRAM. The hon. gentleman says that the total of $44,478.28 contains different items than those that are contained at the foot of that page and on the head of the following page.

Mr. FISHER. No, I say they contain totally different items from those on page 429. In that case the $44,478 are for salaries and nothing else; in the other case the total is $44,104.36, which contains a portion of the salaries which are fairly chargeable to the central farm, and also all the other expenses fairly chargeable to the central farm. Because the figures are so nearly the same the hon. gentleman jumps to the conclusion that they are actually the same, whereas they are totally different.

Mr. DANIEL. Even supposing the item with regard to the salaries of these officials is correct and is distributed as the minister states over the different farms in the country, that explanation would not apply to the item of wages. Even allowing his statement to be correct that in his own report of the experimental farm, the item of salaries of officers is distributed in the proportion that he thinks is just—

Mr. FISHER. That the Auditor General thinks is just.

Mr. DANIEL. Whoever makes up the items—distributing that among the various experimental farms, still that explanation would not apply to the item of wages. Now, the item of wages, which the Auditor General puts down to the central farm at Ottawa, amounts to $21,181.99; whereas the amount of wages that the hon. gentleman debits to the central farm amounts to only $9,900. Now, surely such a discrepancy as that merits more explanation than we have had. I cannot understand how the Auditor General debits the central farm with $21,000 in wages, while the minister only debits it with about $10,000.

Mr. FISHER. If the hon. gentleman will turn to page 429 of the experimental farms report he will find the following charges:

Salaries of officers engaged in the general work of the farms, proportion chargeable to the Central Farm	$1,792 49
Wages, farm work, including experimental work with grain and other farm crops: also salaries of officers in charge	6,840 84
Wages, care of stock	3,087 45
Chemical division, proportion chargeable to the Central Farm	1,412 90
Botanical and entomological division, proportion chargeable to the Central Farm	1,442 56
Horticultural division, including salary of officer in charge	5,110 92
Poultry division, including all supplies; also salary of officer in charge	$1,992 04
Forestry division and care of grounds	1,335 81

And so on. These are the divisions including the wages spent in each. The $21,000 odd off wages shown in the Auditor General's Report includes the care of farm stock and the expenditure for wages in the horticultural division, the chemical division and so on as shown in the farm report. The items are divided up on a different plan and therefore it is almost impossible unless you have the details of the whole work to be able to compare them.

Mr. DANIEL. I think the mode which the hon. gentleman has adopted in his report of explaining these expenditures to the country is one calculated to deceive the people. When you find in a detailed report such as this is supposed to be two items, one referring to wages for the caring of stock, and another to wages relating to the farm work, you naturally conclude that these are the only wages which are paid at the Central Experimental Farm. If these other items include wages it is only a reasonable request on the part of the members of this committee that the amount spent in wages, whether in the care of stock, or farm work, or in the botanical and entomological division, should be credited to the word 'wages' and then we could understand what was meant. It is absolutely impossible for any one to get a clear understanding of the cost of these various services from this report.

Mr. FISHER. The hon. gentleman may be right in his judgment that this is not the proper form of these accounts, but with the exception that they have been somewhat amplified in later years and more detailed, these accounts in the report have been practically the same ever since the farm reports have been issued. It may be an incorrect system, but it is the way in which these farm accounts have been made up for the report to show the expenditure of the farms ever since the inception of the farm system.

Mr. TAYLOR. Would the hon. minister tell the committee what he pays to the superintendent of the farms at Brandon, Indian Head, Agassiz and Nappan?

Mr. FISHER. $1,500 a year apiece.

Mr. TAYLOR. Then the hon. gentleman tells us that the balance over and above the $44,000 of expenditure that he shows in his report at page 429 and which is chargeable to the other experimental farms, has been divided. If he will turn over the page in his report he will find the following charge:

Salary of superintendent, including proportion of salaries for general work, Ottawa, $2,545.62.

And the same for the farms at Brandon, Indian Head and Agassiz. Deducting $1,500

that leaves $1,000 that they have paid as their proportion of the wages paid by the experimental farm, which would amount to .180. The Auditor General in his report at page D—36 states that the cost of these farms has been $59,227. Will the hon. minister explain to me where the difference has gone ?

Mr. FISHER. I cannot give the hon. gentleman the details of that difference.

Mr. TAYLOR. The hon. gentleman said that the difference is made up in the wages that are charged to the other farms. He is misleading the people, because there is only $1,000 charged there.

Mr. FISHER. That would not make up the difference.

Mr. TAYLOR. No, it does not make it up. The hon. gentleman should be able to give us a statement explaining that.

Mr. FISHER. I will try to give the information.

Mr. TAYLOR. He has told the farmers that it only costs $44,000 when the amount is $69,000, according to the details which are given in the Auditor General's Report. My hon. friend says that he has charged that to the other farms, but when we take up his report in regard to the other farms he only charges $1,045 as their proportion of the expenses at Ottawa. So, there is a discrepancy of $20,000 to be accounted for. We must know where that has gone.

Mr. SPROULE. I think it would be better for the hon. minister to allow this item to stand and bring down a statement giving that information.

Mr. FISHER. I will be quite ready to do so, and if hon. gentlemen opposite will say what they would like in the way of information I will try to get it. I do not wish to force the item through without full information. I am quite satisfied that the information is get-at-able and will prove perfectly satisfactory to the committee. It is the right of the House to have all the information that hon gentlemen have asked for and I would be only too glad to bring it down. I know what my hon. friend from South Leeds wants, I know what my hon. friend from East Elgin has asked for, but if there is any other information that is desired I will be glad to bring it down. I take it for granted that hon. gentlemen do not wish to waste the time of the House, that they do not wish to obstruct. Of course I could not for a moment think that they would do that, because at this late date of the session I take it that they must be anxious to put the work through.

Mr. SPROULE. I can assure the hon. gentleman we have no desire to obstruct the work. We only wish to get the information so that it may be understandable and that it may be presented to the country in such a form that the country will understand it as well.

Mr. INGRAM. I think the hon. minister has shown a desire to furnish the committee with all the information that he can, but he evidently could not give us the information which we desired in reference to some of these items.

Mr. FISHER. I could not go into the details of the accounts on the spur of the moment.

Mr. INGRAM. I would like the hon. gentleman to explain the item at the bottom of page D—37 of the Auditor General's Report :

Salaries, general, $5,974.96.

Mr. FISHER. I will try to find that out.

Mr. INGRAM. Some time ago I asked the hon. gentleman for information about the number of members of the agricultural societies of the Northwest.

Mr. FISHER. I have sent to the Northwest to get the details. I think the information has arrived by this time, but I will ask my deputy minister. As soon as it arrives I will give it to my hon. friend.

Mr. DANIEL. Is there any other revenue from the experimental farm except from the sale of the stock ? I see you keep bees ; what do you do with the honey ?

Mr. FISHER. We sell honey, and eggs, and fruit ; the farm crops are all fed on the farm. The details of the sales are in the Auditor General's Report.

Mr. SPROULE. The minister understands that we want an account of the total expenditure on the experimental farm here in the various lines, and as well, the revenue from that farm on account of the sales. That will apply to all the farms. We want the expenditure on the various farms, taking into account the proportion that belongs to each of them, because I understand the minister to say that a certain portion of what should be charged to the other farms is included in the expenditure of the central farm here.

Mr. FISHER. That appears in the Auditor General's Report.

Mr. SPROULE. We would like to have that charged to each of the farms in every line, public works or any other line.

Mr. FISHER. The details of the public works expenditure are given exactly on the different farms. If we build a barn at Agassiz, for instance, it is taken out of that $10,000. The details are all in the Auditor General's Report, but of course the hon. gentleman does not wish himself to look it up, and I will have to get one of the officials

to look it up and hand it to him. Now, first of all, I understand he wants an explanation of what is called the discrepancy between the statement at the end of the farm report and the statement in the Auditor General's Report; and, in the second place, he wants the actual statement of the expenditure on the central farm here for the work of the central farm, not including these salaries of officers which are for the whole system.

Mr. SPROULE. The proportion properly charged to this central farm.

Mr. FISHER. Exactly. He wants it divided up on the principle which is applied in this statement at the end of the farm report. That is the principle on which that statement is made, and I venture to say that statement will be found to be absolutely correct. The only difficulty at present is that I do not quite see where the whole of the difference between that and the statement in the Auditor General's Report comes in. I thought it was almost all due to the difference in regard to the amount of salaries charged, but if the figures of the member for Leeds are correct and cover the whole. that cannot be the only difference. I will find out if there is any other difference. If there is anything I have not covered, I should be only too glad to be reminded.

Mr. SPROULE. And the aggregate of the revenue derived from the different farms.

Mr. FISHER. Yes.

Mr. INGRAM. When the superintendent of the experimental farm was before the Agricultural Committee I gave notice that I intended to ask as to the revenue and expenditure on each of the farms separately

Mr. FISHER. The total revenue and the total expenditure ?

Mr. INGRAM. Yes. The director, not having come before the committee again, we thought this was the best place to ask for that information.

Mr. FISHER. Undoubtedly. If that is all the information the hon. gentleman wants, I will try to bring it down. If hon. gentlemen are satisfied with it, I suppose they will allow the item to pass after the usual fair discussion on the next occasion. I move that the committee rise.

Motion agreed to, and progress reported.

DISMISSAL OF LORD DUNDONALD.

Hon. W. S. FIELDING (Minister of Finance). In accordance with the statement of the premier early in the day, I beg to lay on the table the remainder of the correspondence relating to the removal of Lord Dundonald.

Mr. TAYLOR. That will be printed with the other ?

Mr. FISHER.

Mr. FIELDING. I suppose the previous order for printing will cover it.

I move the adjournment of the House.

Mr. SPROULE. What business will be taken up to-morrow ?

Mr. FIELDING. We will proceed with supply, the estimates being those of the Minister of Marine and Fisheries, the Postmaster General, and perhaps Customs. I am not quite sure as to their order, but probably we may begin with Marine and Fisheries.

Motion agreed to, and House adjourned at 11.45 p.m.

HOUSE OF COMMONS.

FRIDAY, June 17, 1904.

The SPEAKER took the Chair at Three o'clock.

ALLIANCE BANK OF CANADA.

Mr. L. P. DEMERS (St. John and Iberville) presented the report of the Select Standing Committee on Standing Orders as follows :

Friday, 17th June, 1904.

The Select Standing Committee on Standing Orders beg leave to present the following as their eighteenth report :—

Your committee have considered the petition of John F. Stairs and others, provisional directors of the Alliance Bank of Canada, for an Act to extend the time within which to obtain a certificate from the Treasury Board, as required by section 14 of the Bank Act, and find that while no notice has, as required by the rule, been published in the 'Canada Gazette,' the committee in view of the fact that no interests are likely to be affected by the proposed legislation, recommend that the 51st rule be suspended in reference thereto.

As the time for presenting private Bills has expired, your committee recommend that that portion of the 49th rule which limits the time for presenting private Bills be suspended in reference to the foregoing Bill.

Your committee have also considered the petition of the Rio de Janeiro Light and Power Company, Limited, praying for leave to present their petition for an Act authorizing them to acquire, construct, &c., lines of railway, &c., outside of the Dominion of Canada, notwithstanding the expiration of the time for receiving such petitions, and they recommend that the necessary leave be granted.

All which is respectfully submited.

(Sgd.) PHILIPPE DEMERS,
Chairman.

Mr. L. P. DEMERS moved :

That in accordance with the recommendation contained in the 18th report of the Select Standing Committee on Standing Orders, that portion of the 49th rule of the House, which

limits the time for presenting private Bills, be suspended as regards the Bill respecting the Alliance Bank of Canada.

Mr. HAGGART. Listening to the reading of the report I did not understand whether it recommended the suspension of the rule in reference to this particular Bill, or that it recommended a change in the rules.

Mr. L. P. DEMERS. There are two motions, the one which I have made in reference to the Alliance Bank and one to be made by my hon. friend from West Middlesex (Mr. Calvert) in reference to the Rio de Janeiro Light and Power Company.

Mr. SPEAKER. The report is merely in reference to these Bills.

Mr. HAGGART. That is all right.

Motion (Mr. Demers) agreed to.

FIRST READINGS.

Bill (No. 138) for the relief of Andrew William Mann.—Mr. Macdonald.

Bill (No. 139) for the relief of Jennie Davison Moore.—Mr. Macdonald.

PRIVATE BILL—EXTENSION OF TIME.

RIO DE JANEIRO LIGHT AND POWER COMPANY.

Mr. CALVERT moved :

That that portion of the 49th rule which limits the time for receiving petitions for private Bills, be suspended in reference to the petition of the Rio de Janeiro Light and Power Company, presented this day, praying for an Act authorizing them to construct, &c., lines of railway outside of the Dominion of Canada, in accordance with the recommendation contained in the 18th report of the Select Standing Committee on Standing Orders.

Mr. SPROULE. What authority have we to give power to any company to construct lines outside of Canada ?

Sir WILFRID LAURIER. This is a growing time. We are spreading over.

Mr. WILSON. I would like to know whether the government is going to take some action to stop this sort of thing, or whether we are going to have a suspension of the rules to the end of the session ?

Sir WILFRID LAURIER. I am sure my hon. friend would not apply the rule strictly when a Bill is brought in to allow a company to build a railway in Brazil.

Mr. WILSON. Why should it be brought in at all ?

Motion (Mr. Calvert) agreed to.

BUSINESS OF THE HOUSE.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister) moved :

That from this date to the end of the session government orders have precedence on Mondays immediately after questions to be put by members.

He said : I stated the other day to my hon. friend the leader of the opposition, that when I moved this motion to-day, I would give him some information as to the legislation which we proposed to introduce during the present session. In the first place, I stated that we proposed to move some amendments to the present election law. My hon. friend the Minister of Justice has that Bill ready, and it will be introduced early next week ; perhaps Monday or Tuesday, but not later than Wednesday. I hope so at all events, though I cannot speak with certainty as the Minister of Justice is not here to-day.

Mr. HAGGART. Before the hon. gentleman passes from that would he have any objection to give us an idea of what he proposes under that Bill.

Sir WILFRID LAURIER. I cannot say with certainty, though I think it has reference to the lists in certain provinces, but what the character of the legislation is I cannot say. I think it makes provision for the provinces where the lists are not prepared either by the judicial authority or the municipal authorities. Then the Postmaster General will introduce some amendments to the Civil Service Act, which I think are of very light character. Then the Minister of Railways proposes legislation for the transfer to the Intercolonial Railway of the Canada Eastern Railway. The Minister of Railways will also propose a Bill—but as to that I cannot speak with certainty ; he contemplates—though I cannot say the thing is absolutely certain—introducing a Bill providing for a system of pension upon our own railways the same as is in force upon the Canadian Pacific Railway and the Grand Trunk Railway. There may be also some minor Bills of a departmental character but not contentious.

Mr. T. S. SPROULE. If the government takes Monday, what will become of private members' business. We have some nine motions on the paper that we would like to have moved, and we ought to have an opportunity of moving them. I take it that they are not likely to entail very much debate ; but we want certain information which they ask for. There are also several important public Bills that will be disposed of. There is one by Mr. Lancaster to amend the Railway Act, and another by Mr. Maclaren, of Huntingdon, to prohibit the sale, importation and manufacture of cigarettes. What is to become of that Bill if the government takes Monday ? This House has expressed itself in an unmistakable manner in favour of the principle of that Bill, and surely the government is not going to slaughter it with the rest

of the innocents. There is another Bill to amend the Railway Act by Mr. Lancaster, and another to amend the Yukon Territory Representation Act, and still another with respect to labour union labels. These are all important public Bills, and if the government takes Monday, they are killed for this session.

Sir WILFRID LAURIER. In view of the observations of my hon. friend (Mr. Sproule) I will try to meet his wishes, and I will ask the consent of the House to amend my motion so that next Monday will be left to private members and the motion take effect only after next Monday.

Mr. W. J. ROCHE. Could the right hon. gentlman inform us if the proposed Act which the Minister of Justice is going to introduce, will have the effect of laying aside the provincial lists, that are now being prepared by the officials of the Manitoba government and that are now being revised, should an election take place within the next twelve months. Are new lists to be prepared in lieu thereof by officials appointed by the Dominion government ?

Sir WILFRID LAURIER. I would not like to give any precise information to my hon. friend (Mr. Roche). The hon. gentleman will have all the information within a very few days; four or five days at the most, In the absence of the Minister of Justice who is in charge of that measure I do not think I would be justified in pretending to give him the particular character of the legislation which my hon. friend asks me about. I may say also that I forgot to mention that we propose to introduce a Bill to give effect to the decision of the Railway Committee of the Privy Council, given in January last with regard to the railway crossing over Yonge Street in the city of Toronto. This decision was rendered by the Railway Committee of the Privy Council in the month of January. It should have been rendered by the Privy Council, but through some clerical error it did not come before the Privy Council at the time, and when it did come before the Privy Council, the Railway Committee of the Privy Council had ceased to exist. We therefore have to introduce legislation simply to give effect to the decision of the Railway Committee of the Privy Council.

Mr. RALPH SMITH. I do not believe that this motion deals fairly with the private members of this House. It is true that the premier has amended the motion so as not to include next Monday, but we must remember that there are twelve Bills in the names of private members and nine or ten motions, and if these Bills do not pass next Monday, which they cannot, as they have to go through at least two stages, then it means that these Bills are killed for this session. I do not think that there has been a session of this parliament in which private members had less time for the consideration of their business. It occurs to me that the government should take Saturday for their business and allow the Mondays to remain with the private members. In fact, I consider that so long as private members have business before the House the government should provide some portion of every week for the consideration of that business. It is very important that the government should consider that matter. We are anxious to have these Bills considered by this House and put through if possible.

Sir WILFRID LAURIER. If I am to judge of what is to take place next Monday by what has taken place on other Mondays, my hon. friend will have ample opportunity to have his Bill considered on Monday next. If he does not, I will see what I can do for him later on.

Motion as amended, agreed to.

REPRESENTATION OF THE PROVINCES.

Hon. JOHN HAGGART. Before the Orders of the Day are called, I would ask the right hon. gentleman when he intends to bring down the papers asked for by the leader of the opposition in reference to the submission to the Privy Council of the reference with regard to the representation of Prince Edward Island, and the other provinces, in the House of Commons. The record must be ready because, I understand the solicitor general has gone to England to argue the cases before the Privy Council. The factum should have been presented to the House before this.

Sir WILFRID LAURIER. I am quite sure the papers can be brought down now, I will make a note of it.

Mr. HAGGART. I would like to have them immediately, especially those relating to the Ontario case so as to see whether it has been properly presented.

Sir WILFRID LAURIER. I will try to bring them on Monday. I forgot to mention that my hon. friend the Postmaster General will bring down a measure with respect to the Alien Labour law, which he promised some time ago.

SUPPLY.

House in Committee of Supply.

Department of Marine and Fisheries—salaries, $77,850.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). The only in-

creases are the statutory increases. The total salaries for 1903-4 were $72,700. There are forty-eight statutory increases, at $50 each, $2,400; and two additional junior second-class clerks at $800 each; $1,600; and two third-class clerks, at $600 and $550, making $1,150; making the total increase of $5,150. Mr. Archambault has been promoted from a messenger to a third-class clerkship at $650. His previous salary as messenger was $600. He has been in the service twenty-nine years. I have also made the following appointments, which are included in the estimates, namely: H. Tremblay and R. Frechette, junior second-class clerks, at $800 each; L. F. Gorman, third-class clerk, at $600, and Ida Tetu, third-class clerk, at $550. Miss Tremblay is employed in my office as a French stenographer and typewriter. Mr. Frechette is employed in the accountant's branch, and the accountant speaks very highly of him as an official. Mr. Gorman has been in the department for some years as an extra clerk and is a stenographer and typewriter. The deputy minister recommended him strongly for this appointment. Miss Tetu is a French stenographer and typewriter.

Mr. SPROULE. I notice that you are providing for three additional third-class clerks and two junior second-class.

Mr. PREFONTAINE. As I have explained, these were employed temporarily, and I propose to put them on the permanent list.

Mr. SPROULE. They may have been employed temporarily, but last year you had fifty-two employees, and now you have fifty-six. So that there must be four more somewhere.

Mr. PREFONTAINE. I have just stated that there are four more.

Mr. SPROULE. Is that increase necessary for the work?

Mr. PREFONTAINE. I may state that the work has increased about sixty per cent since I have been in the department.

Mr. HAGGART. I notice that the contingent account is also greater than it was last year.

Mr. HACKETT. Are any of these clerks employed in connection with the distribution of the fishing bounties to the fishermen of the maritime provinces?

Mr. PREFONTAINE. The clerks employed for the distribution of the fishing bounty are employed only temporarily during six or eight weeks of the year. They are then paid off.

Mr. KAULBACH. Perhaps my hon. friend from Prince Edward Island is refering to the fishing bounty for dog-fish.

Mr. PREFONTAINE. There is no question of that for the present year.

Mr. HACKETT. I am not speaking about dog-fish at all. I asked the following question of the hon. minister on the 13th of April last with regard to the distribution of the fishing bounty in the province of Prince Edward Island:

Mr. HACKETT asked:

1. What action has the government taken with regard to the following question, asked in this House on the 10th September, 1903:—'.Mr Hackett asked:

'(a.) Has the government received a complaint from certain electors of Prince county, Prince Edward Island, alleging that one John M. DesRoches, of Little Tignish, township No. 2, fishery guardian, had committed fraud in connection with the distribution of fishing bounty checks for the season of 1902, and asking that the same be investigated?

'(b.) Is it the intention of the government to order an investigation into this matter, as requested?

'(c.) If so, when will the inquiry take place, and will witnesses be called to substantiate the charges made?

'(d.) The Minister of Militia and Defence, Sir Frederick Borden: Yes. Yes. A searching inquiry will be made as soon as possible.'

2. Has the inquiry as promised been made; and what is the result? If not, why not?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). Preliminary information was procured, upon which the minister came to the conclusion to suspend proceedings for further consideration.

I want to ask the hon. minister whether he intends to prosecute an inquiry into those alleged frauds.

Mr. PREFONTAINE. Last year when this question was put to me, I answered it as the hon. gentleman has stated, and I thought the matter would rest there; but on further representations made by the hon. gentleman, I promised him that an investigation would take place. Accordingly I appointed a person to investigate into these charges of fraud and I hope to have his report pretty soon.

Mr. HAGGART. Do I understand that a person has been appointed to prosecute an inquiry?

Mr. PREFONTAINE. Yes, I will bring down the information and give my hon. friend the name and instructions and everything.

Mr. HAGGART. I think that is what the hon. minister should do, in view of the fact that those gentlemen who made those allegations are supposed to be inplicated in some personal matters in that connection and in order also to give the fishery guardian charged with these frauds an opportunity of vindicating himself before a proper representative of the government. I think the matter very important and trust the inquiry will be prosecuted without delay.

Mr. CLANCY. I want to call the attention of the Minister of Marine and Fisheries to a campaign sheet issued by his department giving a review of the improvements in the lighthouse and coast service of Canada between 1896 and the 30th of December, 1903. It is a new departure that any minister should have a campaign document published in connection with his department. The hon. gentleman shakes his head, but this is nothing else. I know of no greater outrage than for a minister to use his position and department and the public funds for the purpose of publishing and disseminating campaign literature. The hon. gentleman may find precedents, but no matter where he may have selected his models, what he has done is not in the public interest.

Mr. PREFONTAINE. When I got an official of the department to prepare this statement, it was in order to inform people on the other side of what he was doing for the St. Lawrence route. In doing this, I simply followed the example of my predecessor who issued a similar pamphlet. The information in this pamphlet is taken from the report of the Marine Department. It is a condensation of what is contained in that report and better adapted for ready reference. The hon. gentleman would be surprised if I were to show him the numerous letters we have received from England and other European countries asking for more of these pamphlets, so as to post themselves on what is going on in the department. We at first ordered 2,000, and these were distributed only to people connected with the shipping interest and members of parliament.

Mr. CLANCY. It is very fortunate perhaps that some members of parliament got them on this side.

Mr. PREFONTAINE. They were sent to every member of parliament.

Mr. CLANCY. I am not questioning that statement. The pamphlet purports to be a review of the progress and development of the Department of Marine since 1896. Why was that date selected ?

Mr. PREFONTAINE. It is after 1896 that the most important work was done. In 1894-5-6, there were great complaints against the St. Lawrence route and we had any amount of difficulty in dispelling the wrong impression that had been formed regarding it. We all know the efforts that were made by the Harbour Commissioners of Montreal and the shipping interests of Quebec and Montreal in 1896 to convince the government that it was a question of life or death for the St. Lawrence route that certain improvements should be made ; and it has been since that time that large sums were voted in order to improve the route and remove the bad impression which had been formed concerning it.

Mr. CLANCY. Of course, the hon. gentleman (Mr. Prefontaine) is always single-minded in everything. It was by the merest accident that he selected the year 1896 for comparison. The hon. gentleman devotes his whole effort to show that there was complaint in 1895 or 1896. Has he been asleep that he does not know that these complaints had been made for years before and have been made for years since ? The charge was made by one of his own supporters, the hon. member for St. Lawrence Division, Montreal (Mr. Bickerdike), from his place in the House that the whole service was in the most deplorable condition. Why did not the hon. gentleman (Mr. Prefontaine) date it from that time ? He could hardly have been ignorant of the complaints that were made by the hon. gentleman (Mr. Bickerdike). But, in compiling this table to show what has been done on the St. Lawrence route he, incidentally and quite accidentally, fell upon the year 1896. I do not mind giving the hon. gentleman my opinion that that is mere parish politics and looks all the worse when practised by the head of a great department. The hon. gentleman brought action against a newspaper for having stated more definitely, not than the facts warranted, probably, but than he was willing to have known, that he had established a sort of bureau in his own city through which his friends would secure places. It appears that it is a part of the outfit of the government to which he belongs. The Postmaster General (Sir William Mulock) on one occasion when he was acting Minister of Public Works, advertised for applicants from one end of this country to the other——

Sir WILLIAM MULOCK.. That is entirely without foundation.

Mr. CLANCY. I will take occasion to refresh the hon. gentleman's memory.

Sir WILLIAM MULOCK. Do so, if you can.

Mr. CLANCY. I will do so with pleasure, and probably with not a little pain to the hon. gentleman. Evidently the hon. gentleman has forgotten. It is said that reckless people never take pains to remember what they have said. I would not say that the Postmaster General was reckless, but he was new in the business and anxious to distinguish himself. So, when the back of the hon. member for St. Mary's, Montreal (Mr. Tarte) was turned, he resolved to out do that hon. gentleman and learn every place that wanted a wharf or a dock. The Minister of Marine and Fisheries—

Sir WILLIAM MULOCK. I hope the hon. gentleman (Mr. Clancy) will not omit the proof. He was going to give the proof of his statment. Will he not make good his word ?

Mr. CLANCY. If the hon. gentleman (Sir William Mulock) will allow me a little time, I will call the witnesses—including himself. Now, returning to this pamphlet,

let me review some of its features. It purports to give a 'comparative statement of total expenditure for the fiscal years 1896 and 1903.' This includes items for ocean and river service, lighthouse and coast service, scientific institutions—was there any complaint about that? Marine hospitals, steamboat inspection—was there a controversy about that so keen that people were crying out for information about it for the year 1896 especially?—and civil government salaries.

Mr. INGRAM. What has all that got to do with the improvement of the St. Lawrence route?

Mr. CLANCY. Perhaps the Minister of Marine and Fisheries will tell us that. How much are the people of the old country concerned about civil government salaries? Were they thirsting for information with regard to steamboat inspection? Did they demand to be informed about our scientific institutions? Then we have a comparative statement of the expenditure for lighthouse and coast service for the years 1896 and 1903. The first item is for salaries and allowances. I am sure the people abroad were anxious about that. And so it goes through with the other items. It is, no doubt, a very complete campaign document. I congratulate the hon. gentleman on the efficiency of the work from that point of view. Let me read the italics on page 5, put there, no doubt, by direction of the hon. minister himself—for I will venture to say he took great care in the preparation of this pamphlet:

> Since the year 1896 one hundred and fifty-six towers and inclosed lighthouses have been built and fifty pole lights have been erected, making a total of two hundred and six new lights put in operation.

Why was that put in italics? I will sit down and await the hon. gentleman's explanation.

Mr. PREFONTAINE. To call the attention of the reader to the statement, I suppose.

Mr. CLANCY. The reader would not have taken notice of it, if it had not been put in italics, I suppose. Had they put in the name of the hon. gentleman himself, it would have been a more direct way of accomplishing his purpose. The public are not so dull as to require the italicizing of important statements by the Minister of Marine and Fisheries. Here is another statement in special type: Will the hon. gentleman say that the public were so much interested in this that he needed to call special attention to it?

> Lighthouses to be put in operation next spring and others for which tenders have been invited.

Was that given prominence so that people might come to the hon. gentleman and look for contracts? The hon. gentleman assents to that. I am glad he is so frank. Then there is a comparison of the number of lights in the Dominion of Canada for the years 1896 and 1903. I shall not trouble the committee to go more in detail through this interesting volume of thirty-two pages, including index, of campaign literature. I would advise the hon. gentleman, however, as a fitting frontispiece to put on the front of the cover his own photograph looking as wise as he now tries to look after having issued this splendid campaign sheet.

Mr. PREFONTAINE. I shall carefully consider that advice.

Mr. T. I. THOMSON. It seems strange that the hon. member for Bothwell (Mr. Clancy) should have any doubt concerning the motives of the Minister of Marine and Fisheries in choosing the year 1896 as the year with which comparisons are to be made in this pamphlet. The Minister of Agriculture (Mr. Fisher) looking after the interests of the Militia Department and Minister of Marine and Fisheries (Mr. Préfontaine) looking after his own department go back to 1896 for comparison, and prepare campaign documents to be circulated as public reports. The Minister of Marine and Fisheries (Mr. Préfontaine) had a reputation before he came here, and this is simply what we expected from him. A dozen of these pamphlets were sent to each member of the House, and every member was invited to send for as many as he pleased for distribution. But, owing to the nature of the pamphlet, I did not send out so many as I would have been glad to do otherwise. The fact that the comparisons are made with the year 1896 shows that it was intended to be a campaign document and so I did not care to send them out.

Mr. TAYLOR. I would like to ask the minister why he requires in his department all these dictionaries that I find charged in the Auditor General's Report: Bescherelle French Dictionary, $20, Century Dictionary, $65.65, Webster's Dictionary, $8.95, total about $100 for dictionaries.

Mr. PREFONTAINE. A larger sum than that has been spent in the department for books. A certain amount is voted every year for the purchase of books.

Mr. TAYLOR. They have always been included in the amount for printing and stationery. I would like to know why he requires three dictionaries in his department.

Mr. PREFONTAINE. When I took office I found the library almost depleted, and as I thought I was entitled to have a few books to consult when necessary, whether in English or French, I purchased these books.

Mr. TAYLOR. If the hon. gentleman placed a sum in the estimates for the purchase of a dictionary, no doubt the opposi-

tion would make no objection. But here we vote a certain amount of money and we don't know how it is expended. I find on the same page a charge for Larousse Petit Dictionnaire, $2.25 ; Lewes Acetylene, 3, $18.15. I presume that is in connection with acetylene gas for lighting lighthouses over the country, and favouring some gentlemen who have an interest in manufacturing acetylene products. Then I find 'Men of Canada,' $15. Why is this necessary for the hon. gentleman's library ? The vote of parliament is only for printing and stationery, but this is neither printing nor stationery. Why are these books necessary for running the Marine and Fisheries Department ?

Mr. PREFONTAINE. Because I wanted them.

Mr. TAYLOR. Then here is another item that I would like the minister to explain. I find accounts for travelling expenses : Hon. J. R. F. Préfontaine, $437 ; Hon. J. Sutherland, $42.90. Then later on : cab-hire Hon. J. R. F. Préfontaine, $53.50 ; Hon. J. Sutherland, $8.50. I want to tell my hon. friend that when his friends were on this side of the House they condemned the government for paying the cab-hire, not alone of the junior ministers and of the Minister of Marine and Fisheries, but of the Prime Minister himself, the late lamented Sir John A. Macdonald. Because he spent a few dollars for cab-hire the opposition criticised the vote for half a day. Mr. Wilson, who is now in the Senate, opened the ball by saying :

Then there is an item here which perhaps the hon. First Minister will be able to explain, as the Auditor General's Report does not explain it sastisfactorily. We find charged here, travelling expenses of Sir John A. Macdonald, $364.59. Then comes cab-hire at Ottawa—Sir John A. Macdonald, $734.50 Sir John A. Macdonald, from May to June, $214.

Sir John A. Macdonald replied :

I am afraid the hon. gentleman will have to wait until the Committee on Public Accounts sends for the vouchers, or gets an explanation why there are no vouchers. I certainly do not come here charged with explanations for vouchers for the employment of every cabman. All I can say about that is that I cannot afford to keep a horse, I am too old to walk, and as long as I hold my position, I think the hon. gentleman will have to submit to paying my cab fare.

Now the late Minister of Justice, the Hon. David Mills, had this to say about it :

I cannot say that I agree with the hon. gentleman that there should be no objection to cab-hire for the First Minister simply because he is the First Minister. That is wholly a new doctrine. I always supposed there was a sessional allowance granted to every member of this House, granted to the Prime Minister as well as to others, and he may use a portion of that sessional allowance to pay for his cab-hire precisely as he may use it for any other matter. If the House is of opinion that a different rule should be applied to the First Minister, the House ought to proceed regularly. There is no authority for the premier, any more than for any other member of this House, to come to the House in a cab and charge the cab-hire in the public accounts. He has no special position in that respect.

Mr. Mills is an authority for the doctrine that no cabinet minister has a right, any more than any private member of this House, to charge for cab-hire. This was the charge against Sir John A. Macdonald, and he was the only man of the government against whom Mr. Mills could bring a charge of making the country pay for his cab-hire. But look at the list now. The Minister of Marine and Fisheries has in this account before us, for a portion of last year, a charge for cab-hire of $53.50, and for travelling expenses of $437. Why does not the same rule apply to him that Mr. Mills laid down for Sir John A. Macdonald? The Minister of Marine and Fisheries has his sessional indemnity, and he should put his hand in his own pocket and pay for his cab-hire. There is no law allowing him to charge these accounts to the country. Here is the highest authority stating that the Prime Minister, the late Sir John A. Macdonald, had no business to charge for cab-hire. In the 'Hansard' of 1889 you will find that the opposition spent hours criticising the late Sir John A. Macdonald with having misappropriated the funds of this country in charging for cab-hire. My hon. friend who has just stepped into the government cannot go down the street without calling a cab and sending the bill to the government. I certainly think that this ought to be put a stop to some way. If each of the cabinet ministers is going to have a bill of from $400 to $600 every year for cab-hire the government should introduce a bill authorizing them to do so legally because we have the statement of the late Mr. Mills, who was the Minister of Justice in this government, that it is contrary to law, that no cabinet minister has any more right to do this than any other member of the House. I would like the hon. gentleman to show me what authority he has for placing in the public accounts cab-hire to the amount of $53.50 for a portion of the year 1903-4 ?

Mr. PREFONTAINE. The same authority that existed in the time of Sir John Macdonald.

Mr. TAYLOR. Mr. Mills says there is no authority for it.

Mr. PREFONTAINE. It appears that the hon. gentleman sustained the position taken by Sir John Macdonald.

Mr. TAYLOR. By the First Minister only. Some hon. gentlemen say there should be

an exception in favour of the First Minister and so there should be. I will never by act or voice object to any charge made by the First Minister for cab-hire or for travelling expenses. With the exception of the hon. Minister of Customs every one of the ministers is guilty. This never was done by the late Conservative government as it is being done by this government notwithstanding the fact that the late Mr. Mills said it was contrary to law. I want the hon. gentleman to explain where he finds the authority, either by law or practice for any such charge being made except by the Prime Minister of Canada.

Mr. PREFONTAINE. No doubt if it had been illegal the Auditor General would not have passed it.

Mr. TAYLOR. I submit that is an unsatisfactory explanation. I beg to move :

That the item be reduced by the sum of $53.50, being the cab-hire charged by the Minister of Marine and Fisheries as shown in the Auditor General's Report of last year.

Mr. HENDERSON. Before the vote is taken on this question I desire to say that there is a principle involved in this extending far beyond the amount that is named by my hon. friend from South Leeds (Mr. Taylor) who has just moved the reduction of the item. The principle is far reaching because what would apply to this department would apply to all the departments of government, and there is no doubt that this practice of charging up to the country items of personal expense by ministers which to my mind have no connection whatever with the department is a growing evil and is becoming a somewhat cumbersome matter to the country. I think it is time we had some understanding and that if the government desire to continue this practice which in bygone years they denounced as being wrong they ought to place some law on the statute book authorizing it and making it clear that they have the right to take this money out of the public treasury and apply it for their personal benefit. The hon. Minister of Marine and Fisheries has offered, to my mind, a very flimsy excuse indeed. He says that because it was allowed to the late Sir John Macdonald it ought to be allowed to all the ministers who have succeeded him. Sir John Macdonald said that he was old, that he could not afford to keep a horse, and that so long as the country required his services he thought they would be obliged to pay his cab-hire. I do not think the hon. Minister of Marine and Fisheries will come down and make any such confession as that. He cannot say that he is too old to walk. I do not think that after the successful career he had in the municipal council of the city of Montreal and with the reputation he achieved, he will claim that he is too poor, and I think therefore that some better excuse should be offered than that which the hon. gentleman has offered for the charge that is here made. If you can apply it to cab-hire of course you can apply it to street car fare. We find that this is a growing item. More than that, you can apply it to the use of private cars, which, by the way, is becoming rather a serious charge. Although it is indirectly that the country pays for them there is no doubt that all these private cars, whether they go to Mexico, or wherever they go, are all paid for by the people of this country. It is done by exchange, an exchange which this country has to make good to the American roads when they desire it so that practically we are paying for all these junketing expeditions of the government whether on street cars, in cabs, or in private cars. I think it is time that some principle was laid down and that the people should know whether or not ministers have the right more than any other member of parliament to place their hands upon the public funds without the authority of law and appropriate them to their own personal benefit. I do not think it is a healthy state of affairs and it seems to me that it leads step by step along the line which eventually will bring about a very much more serious condition. I hope the hon. minister for his own sake will be able to offer some better justification for the taking of this money and applying it to his own private purposes than he has yet offered. I desire to say in reference to this pamphlet as it has been printed by the order of the Minister of Marine and Fisheries that the same courtesy should have been extended to every member of parliament and that it should have been sent to every member.

Mr. PREFONTAINE. It has been.

Mr. HENDERSON. I have not received a copy of it. I made careful inquiry in the post office and there was nothing there. I do not see why it should be given to one and not the other.

Mr. PREFONTAINE. I persist in affirming that instructions were given when the pamphlet was issued in January, 1904, that copies should be sent to every member of parliament. I have no reason to doubt that the instructions were followed but I will inquire.

Mr. WILSON. Will the hon. minister send us some now ?

Mr. PREFONTAINE. With pleasure.

Mr. HENDERSON. I would like very much if the hon. minister would send me a copy.

Mr. LEFURGEY. In regard to this publication issued by the Department of Marine and Fisheries I am sure that from the context from end to end we can call it nothing but a campaign sheet without the number on. It is simply a boast of what this government have done from 1895 to the present

time. They take particular care that the comparison shall be between the years 1895 and 1903. They point things out just the same as they do in the campaign sheets which they issue and which are numbered 1, 2 and so forth, although they do not number this. There are a great many statistics in this pamphlet regarding the lighthouse service but I would like to point out to the hon. minister that we have a lighthouse down in Summerside which is a disgrace to any department or to any government. The foundation has been falling into decay for a number of years and at the present time it will hardly support the structure. It looks dingy. There have been a number of complaints sent to the department in regard to this lighthouse, or at least the press has been filled with pleas to the department to have this lighthouse attended to. On this occasion I would beg that the hon. minister will have his officers down on the island look into this matter and have the necessary repairs made.

I want the minister to tell me why it is that the fishing bounties have fallen off considerable since 1895 and 1896? I put a question on the order paper the other day, asking why the bounty was not paid to the lobster fishermen, and in the usual manner I was put off by being referred to the law on the question. That answer was neither a sufficient nor a fair answer, when I asked for the reason why the lobster fishermen did not share in the bounties the same as other fishermen. Let the minister now tell me why the policy is followed, by which the lobster fishermen are not included in the bounty. ?

Mr. WILLIAM ROSS (Victoria). From the Auditor General's Report of 1896 I find that the Hon. Geo. E. Foster was paid $120.75 for cab-hire. What is the use of saying that cab-hire was only paid to the Prime Minister of the Conservative government, when we find that the other ministers drew cab-hire just the same ?

Mr. COCHRANE. Your friends said it was wrong.

Mr. WM. ROSS (Victoria). Never mind what my friends said. Speaking about campaign literature ; gentlemen opposite had better turn their attention to the kind of campaign literature they are circulating throughout the country. It reflects no credit upon themselves or on anybody else.

Mr. INGRAM. That is a question of judgment, and I cannot commend the hon. gentleman's judgment. I want to get from the Minister of Marine and Fisheries an explanation as to what extent his department has been enlarged by the recent changes.

Mr. WM. ROSS (Victoria). I find that one year J. Thompson drew $251.25 and C. H. Tupper $119.25 for cab-hire. This shows that the other Conservative ministers drew cab-hire as well as Sir John Macdonald.

Mr. LEFURGEY.

Mr. INGRAM. When the Liberals were in opposition they condemned Conservatives for drawing cab-hire ; and if they are consistent, why do they themselves now draw large amounts for cab-hire ? Surely the hon. member for Victoria is not so dense that he cannot see the difference.

Mr. WM. ROSS (Victoria). I am not so dense as the hon. gentleman thinks, but I have shown here that other ministers of the Conservative government, as well as the Prime Minister, drew cab-hire.

Mr. INGRAM. No person contended anything different.

Mr. WM. ROSS (Victoria). The hon. member for Leeds (Mr. Taylor) stated repeatedly that only Sir John Macdonald drew cab-hire, and not the other ministers.

Mr. SPROULE. What the member for Leeds said was that he would have no objection to the First Minister drawing cab-hire, but as the Liberals condemned it the other ministers should not draw cab-hire. The gravamen of the charge is that the highest authority in the Reform party, the Hon. David Mills, declared in this House that there was no legal authority for the First Minister or anybody else drawing money for cab-hire. The hon. member from Victoria (Mr. Ross) was a member of the Mackenzie cabinet with the Hon. David Mills, and he must know very well that if it was wrong then to draw cab-hire it is wrong now, because the law has not been changed since. The trouble with these gentlemen over there is that what they condemn in their opponents they justify when it is done by themselves.

Mr. WM. ROSS (Victoria). The cab-hire drawn by the Minister of Marine was objected to, and the statement was made that only Sir John Macdonald drew cab-hire when the Conservatives were in power.

Some hon. MEMBERS. No.

Mr. LANCASTER. Is it right or wrong for the men now forming the cabinet to denounce this when they were in opposition and to practise it when they came to power? That is the point we are dealing with.

Mr. INGRAM. Let our conscientious friend from Victoria (Mr. Ross) answer that question.

Mr. HEYD. It strikes me that it is right always for a cabinet minister to engage a cab when it will facilitate public business.

Mr. LANCASTER. Is it right for your friends to denounce it when they were in opposition and to do the same thing themselves when in power ?

Mr. HEYD. It is always right if it advances the public interest.

Mr. TAYLOR. The hon. member for Victoria (Mr. Rossî did not understand what I

read from 'Hansard.' I will read some more of the debate in order to enlighten him :

Mr. SOMERVILLE. Judging from the way this account is made out, I should say this country, on a small scale at all events, is being humbugged by our Barnum minister—

That is the way he described the late lamented Sir John Macdonald.

—as much as the United States people are being humbugged by their Barnum. If the hon. the First Minister can be in two places at once, the people ought to know it. That this year there has been expended $728.15 for cab-hire for persons not named in the vouchers is a matter that requires as much explanation as this account. Therefore I cordially agree with the hon. member for East Elgin (Mr. Wilson) that this requires some explanation, and I can see from the happy mood in which the First Minister appears to be that he is just in the vein to explain it. I would be glad, for my own satisfaction and that of the people, if he would be kind enough to rise in his place and tell us how it is that he can by any possibility be riding in a cab at Ottawa while travelling in the car 'Jamaica' and making political speeches in Toronto, Welland and other places.

Then Sir John Macdonald replied and was followed by the Minister of Trade and Commerce (Sir Richard Cartwright), who last year, according to the Auditor General's Report, spent $300 for travelling expenses—I suppose to Hot Springs—and $496 for cab-hire ; and yet he was one of the parties who attacked the late Sir John Macdonald, then Prime Minister, for having employed a cab. Every member of this government except the Minister of Customs has a bill for cab-hire ; and some day we will perhaps divide the House on that matter. My hon. friend from Victoria, N.S. (Hon. Wm. Ross) certainly did not hear what I read as the opinion of the late Minister of Justice, the Hon. David Mills, who ought to be an authority for him and an example for every hon. gentleman on that side of the House to-day. If the Prime Minister of the Conservative government did spend some money for cab-hire, certainly this government, which is pure and just and upright, should not put their hands into the people's pockets and take money for cab-hire which the late Minister of Justice (Hon. David Mills) said should come out of their own pockets. Here is his opinion of it :

I cannot say I agree with the hon. gentleman that there should be no objection to cab-hire for the First Minister simply because he is the First Minister. That is wholly a new doctrine. I always supposed there was a sessional allowance granted to every member of this House, granted to the Prime Minister as well as to others, and he may use a portion of that sessional allowance to pay for his cab-hire precisely as he may use it for any other matter. If the House is of opinion that a different rule should be applied to the First Minister, the House ought to proceed regularly. There is no authority for the premier, any more than for any other member of this House, to come to the House in a cab and charge the cab-hire in the public accounts. He has no special position in that respect. My friend the hon. member for East York (Mr. Mackenzie) is a member of this House and was at one time the Prime Minister. He had devolving upon him the important duties now devolving upon the First Minister. In consequnce of his assiduous application to those duties, he is scarcely able to get to his seat in this House, yet I do not find that the right hon. gentleman has made any provision to bring my hon. friend from East York (Mr. Mackenzie) here in a cab.

There is the opinion of the late Minister of Justice, the legal authority of the Liberal party of Canada, discussing the matter with reference only to the Prime Minister. No other minister was mentioned in the whole debate which then took place. It was an attack upon the Barnum of Canada, as they called the late-lamented Sir John A. Macdonald—that was the respect they paid to him—a man who did more to build up Canada and make it a nation than all those men put together who sit on that side of the House. These gentlemen were not too small to attack him and charge him with having mis-appropriated the public money, because he came to the House and went from the House at midnight in a cab. Poor old man, who died at a ripe old age, without a dollar in his pocket, after having governed this country for many years ! The poor old man said : 'I am too old to walk, and too poor to buy a horse'; and yet these gentlemen attacked him and charged him with having misappropriated the people's money. When these purists came into power, they said : 'We are going to do business on business principles and in an honest way' ; and yet every minister except the Minister of Customs charges his cab-hire to the people of this country. That is what I condemn. According to the Auditor General's Report, these hon. gentlemen spent in the year 1902-3 no less than $203,399.18 in travelling expenses, railways fares, cab-hire, tips and sundries—just for six departments. The ministers spent for travelling expenses $7,-477.84, for fares $475.92, for cab-hire $1,-061.10, and for sundries $45.60. The Labour Department spent for travelling expenses $3,891.55. The Justice Department spent for travelling expenses $4,658.42, and for cab-hire $116.33. The Marine and Fisheries Department spent for travelling expenses $8,473.85, and for cab-hire $58.60. The Department of Militia and Defence spent for travelling expenses $7,842.22, and for cab-hire $139.44. The Inland Revenue Department spent for travelling expenses $27.07, and for cab-hire $33.75. The Department of Indian Affairs spent for travelling expenses $827.71, for cab-hire $365.95, and for tips $39.90. The Department of Agriculture spent for travelling expenses $28,055.23.

Mr. FISHER. How many years does that cover—fifty ?

Mr. TAYLOR. It covers one year, according to the Auditor General's Report.

Mr. FISHER. That is not correct. The hon. gentleman is mistaken.

Mr. TAYLOR. If the hon. gentleman will name a day when he is going into his estimates, I will give him the figures. I will give them to him now if he likes.

Mr. FISHER. Give them to me now—the travelling expenses of the Minister of Agriculture.

Mr. TAYLOR. I am not saying the minister. I am saying the department.

Mr. FISHER. Oh. That is another business.

Mr. TAYLOR. The hon. gentleman spent for travelling expenses in connection with his department $28,055.23 and for cab-hire $854.73, for tips $2, and for sundries—I do not know what they are—perhaps this was an for lemonade—$562.23. The Interior Department spent for travelling expenses $52,-811.49, for fares $473.95, for cab-hire $4,-097.05, and for sundries $99.27. The Public Works Department spent for travelling expenses $58,238.73, and for cab-hire $512.65. I have not worked out the details for the Department of Finance, Customs, Secretary of State, Railways and Canals, Privy Council, Printing and Stationery, Post Office, Mounted Police and Trade and Commerce ; but these seven departments which I have mentioned spent $203,399.18 of the people's money for travelling expenses in order that these gentlemen and their civil servants might go around the country ; and they spent in tips and sundries nearly $1,000—I suppose for lemonade and so forth. And yet, after reading what the late Hon. David Mills said, what authority have they for doing it ? There it is, nearly a quarter of a million of money. No wonder they want the revenue to flow in to keep up this state of affairs. My hon. friend the Minister of Marine and Fisheries, though only a few months in office previous to the 1st of July, 1903, and though he is a young man and as able to walk as anybody, spent for cab-hire $58.60. That is the way the people's money is being wasted and then we are refused any information. The only reply we are given is that the other fellows did it and we are going to do it too.

Mr. PATERSON. I do not wish to take any credit not due to me. If there is no cab-hire charged against me, I suppose it is because my secretary paid it and included it in his travelling expenses. When I go on official business, I frequently hire a cab in order to keep my appointments ; and if cab-hire is not charged against me, it must be because it is charged in my private secretary's bill.

Mr. TAYLOR. We are talking of cab-hire here in Ottawa. Cab-hire out of Ottawa would be included in travelling expenses.

Mr. COCHRANE. I very well remember the late Sir John Macdonald being criticised for spending money in cab-hire, and his reply was that he was too old to walk and too poor to afford to keep a horse, and that as long as he remained in the position he had, he was afraid the country would have to pay his cab-hire ; but I am astonished that the hon. member from Victoria (Mr. Wm. Ross) an old Baldwin Reformer should plead that because the late government charged up cab-hire for the premier, the present government was justified in doing the same thing for the whole crowd. But as he and his party condenmed the late government, they are not justified in making the plea they do. Will the hon. gentleman tell me that when he appears before the great judge of us all, he will venture to plead that although he condemned certain things done by the late government, the present government are justified in doing the same thing because their predecessors set them the example. Is that the kind of reform doctrine we ought to expect from an old Baldwin Liberal ? You would think that these hon. gentlemen would be ashamed to do the same thing which they condemned in their predecessors, and not only that but spend hundreds of dollars more in the same way. Why, we have ministers now who cannot go down to a summer resort without a special car. We have a minister who, when he came to Ottawa, was well known not to be very rich, but where is he to-day ? He is living in a palatial residence in this city which cost him $20,000. He bought Corby's yacht, which was too expensive for Corby to run, and all the silver plate in it, and all that could not have cost less than $20,000 more. He cannot plead, as the late Sir John Macdonald did, that he is too old to walk and too poor to keep a horse, because he does keep a horse. I am not so penurious as to object to paying cab-hire of ministers, but what I object to is ministers getting into power under false pretenses and then doing exactly the same thing as their predecessors did, and pleading that as valid excuse I say they are doubly guilty.

Mr. WM. ROSS (Victoria). I am afraid that the advice we are getting to-day was not very palatable to hon. gentlemen opposite when they were in office, because all this cab-hire and travelling expenses went on then as now.

Mr. COCHRANE. Not one-half as much.

Mr. WM. ROSS (Victoria). Not only did the ministers then charge for cab-hire but in many cases their deputies were paid their cab-hire as well.

Mr. COCHRANE. And you said it was wrong.

Mr. WM. ROSS (Victoria). I did not.

Mr. COCHRANE. But your party did and you are responsible.

Mr. WM. ROSS (Victoria). I am only responsible for what I say myself and not for what my party do. I find that the travelling expenses of Sir John Thompson amounted to $1,486.67.

Mr. LANCASTER. That is not cab-hire.

Mr. WM. ROSS (Victoria). Cab-hire at Ottawa $251.25

Mr. COCHRANE. The Minister of Trade and Commerce spent nearly $500.

Mr. FISHER. Hon. gentlemen opposite talk about the Department of Agriculture. Well, I have just looked up the Auditor General's report and I find that that department was charged with cab-hire to the extent of $32. I take the hon. gentleman's statement that it was in Ottawa. I do not know, but I can say that on no occasion have I ever had cab-hire charged the government except when on government business, such as taking distinguished strangers out to the experimental farm.

Mr. SPROULE. I wish to say a word about this celebrated pamphlet for which we are to pay. It is a reminder of 'Political pointers.' The Minister of Customs (Mr. Paterson) laughs. He would not have regarded it in the same way had this been perpetrated by his political opponents when he was on this side of the House. It may be that the Minister of Marine and Fisheries (Mr. Préfontaine) has an ambition to fulfil the highest expectations of his leader the Prime Minister (Sir Wilfrid Laurier), as set out in this celebrated Order in Council which has been laid before us. As the doctrine laid down is a new one, and as the Minister of Marine and Fisheries seems to believe in it and tries to carry it out, it seems worth while to call attention to it. This Order in Council says :

> In the case of members of the cabinet, while all have an equal degree of responsibility in a constitutional sense, yet, in the practical working out of responsible government in a country of such vast extent as Canada, it is found necessary to attach a special responsibility to each minister for the public affairs of the provincial district with which he has close political connection.

I take it that the district with which the Minister of Marine and Fisheries has such close political connection as to justify his getting out this pamphlet is the St. Lawrence route, and so he orders the preparation of this pamphlet by one of his subordinates and calls upon us to vote the money to pay for it.

> Mr. Fisher, while sharing with his colleagues that general responsibility already referred to, represents in a particular manner the eastern townships of the province of Quebec.

The Minister of Marine and Fisheries represents in a particular manner the St. Lawrence route, I suppose, and it is, of course, proper in accordance with that principle, that he should get out some special report informing the world of what has been done in that locality under his charge. I presume he justifies this pamphlet on these lines. I wish to say a word also about the item mentioned by the hon. member for Leeds (Mr. Taylor). That hon. gentleman takes exception to the expenditure of $90 for dictionaries for that department. As the ordinary dictionary costs about fifty cents, I suppose we may take this expenditure to mean that the department has bought 180 dictionaries. I would criticise this more severely were it not for the fact that some members of the cabinet cannot distinguish between a Scotchman and a 'foreigner.' I think dictionaries are needed by hon. gentlemen opposite in the interest of the country, and the more dictionaries they use the better. It may prevent the Minister of Marine and Fisheries falling into some such blunder, and the more he avoids such things the more it will be to his credit.

With regard to the item of travelling expenses, these expenses do not seem to end with travelling expenses. You have here cab-hire, tips, sundries, even payments for accident life insurance. We find the charge of $53 for tips for a single trip. These people are very liberal with what does not belong to them. We are told that Artemus Ward was willing to sacrifice all his wife's relations to the cause of the Union. These people seem to be quite ready to make themselves appear big men with the country's money. That reminds me of a story that is told about the great maritime province politican, Joseph Howe. One disagreeable night he reached a cozy hotel, where he found everything very comfortable. He found excellent stabling for his horse, and, while ordering a drink in the bar he complimented the landlady upon the way in which her hotel was managed. He threw down a five dollar gold piece. When she offered change, he refused to take it, but said, 'We will talk about that in the morning.' He was given a very nice supper. On this also he complimented the landlady, and, ordering another drink threw down another five dollar gold piece, again refusing to take change—saying that he was busy and did not want to trouble about that, that they would make it all right next day. The landlady was surprised and could not make out what kind of a man this was. The following morning he again complimented the landlady, telling her that he had had a splendid night's rest and a fine breakfast, and again threw down a five dollar gold piece, but still would not hear of receiving change. The landlady said, 'Who are you, any way ? I would like to know

what kind of man you are.' 'Oh,' he said, 'We make our money easier that you do.' This does not cost me anything. I am the Honourable Joseph Howe and have access to the public treasury. Money does not cost me anything.' 'Well,' answered the landlady, 'I always knew that a Grit would steal, but I never knew before that he would give it away so liberally when he got it. Whether these gentlemen steal it or not, they seem to be quite willing to give it away liberally. Take the case of one subordinate officer, Mr. Frank Pedley, whom I have met many a time on the platform—a very genial, good natured soul. There is a charge from him of $233.04 for travelling expenses, including $75.25 for pullmans, and $35.25 for tips. Whether he has stolen it or not, he has become possessed of it in some way and he seems to be willing to give it away as easily as Joseph Howe. Now, I object to this because it sets an exceedingly bad example to the rising generation. It is the duty of the government to deal as economically with what belongs to the country as they would with their own funds. But, as long as the government regard it as proper to hand out public money in tips, travelling expenses, cab-hire, buying trunks for themselves, paying for accident insurance, and so on, we shall not have the economy exercised anywhere in the public service that we ought to have.

Mr. INGRAM. Hon. members on this side are not opposed to reasonable expenditure for cab-hire for the ministers. What we do object to is the statement by these hon. gentlemen before they came into power that, if given office they would abolish these things which they complained of as abuses before 1896. So far as I am concerned, the Minister of Trade and Commerce (Sir Richard Cartwright) for instance, has never been found fault with though he is carrying out a system that these hon. gentlemen condemned before 1896. He has been a long time in the service of the country, and has been unfortunate in the matter of health, and I, for one, would be sorry to object to any reasonable expenditure he may incur for cab-hire . The same would apply to the leader of the government and any other minister. If our party came into power, we would expect to spend reasonable sums in the same way, and I think the country should be willing to pay. But what we object to is that they are doing now that which they declared to be wrong and their only justification is that we, when in power did the same thing. I have a quotation in my hands of a speech made by a present minister of the Crown previous to 1896. Speaking to the electors in a certain part of the Dominion, he said :

You have the right to hold the politician to his pledge, just as much as you would the man of business.

The man who obtains goods from you under false pretenses is a cheat and swindler.

What should you call the men who obtain votes by means of pledges which they never intended to keep ?

I say again, if you are prepared to overlook these things then you have no right to ask for fidelity from any man who hereafter represents you.

Sir, it was the present Minister of Finance who said that. I know hon. gentlemen on the other side of the House do not deny that they have broken their pledges. They have no principles, they do not pretend to have any principles ; they are simply opportunists, and they take advantage of the public feeling in the country at the moment, regardless of whether it is in the interest of the country or not. They have violated every principle they claimed to hold up to the present moment, and for that reason I am justified in saying that they have no principle other than the principle of remaining in power. I remember distinctly in the matter of private cars when Conservative ministers were condemned for going from place to place in private cars. I am ready to say, as a member of the opposition, that I think a minister is justified in using a private car if it is in the interest of the country that he should do so in order to transact public business more expeditiously. If the Conservative party came into power to-morrow, I should be prepared to defend the government in a reasonable use of private cars. But as I said before, we are not now finding fault so much with the hon. gentlemen opposite for using private cars as we are for doing the same thing which they condemned the previous government for doing previous to 1896, and they are now afraid to stand up and admit that they were wrong then. Now with respect to the item we are discussing, I would ask the Minister of Marine and Fisheries to explain in what way his department has been enlarged, and what branch he has taken over from any other department.

Mr. LEFURGEY. A few moments ago, I put some questions to the Minister of Marine and Fisheries, to which I would like to get a reply, it was regarding the fishing bounty. I see in this campaign pamphlet—

Mr. INGRAM. Do I understand the minister declines to answer my question ?

Mr. PREFONTAINE. I cannot answer two questions at the same time. I will try to answer one after the other. The hon. gentleman has asked me why the amount paid for fishing bounties has diminished. Well, in the report of the Department of Marine and Fisheries for 1903, I find the following remarks made by the Commissioner of Fisheries :

During the year 1902 the fishermen of the maritime provinces received the sum of $159,853 as fisheries bounties on their respective catches

of deep sea fish for that season. The owners and crews of 795 vessels received $71,079 of the above amount, while the balance, $88,774, was distributed amongst 20,229 boat fishermen. To cover these amounts, 12,723 claims were paid ; 91 were refused payment as being fraudulent. For the last season Nova Scotia received nearly double the amount of bounty distributed to all the other provinces, amounting to $100,455 ; Quebec received $36,125 ; New Brunswick, $14,-555, and Prince Edward Island, $8,716. Since its inception (1882) the sum of $3,315,966 has been distributed among the fishermen of the above-mentioned provinces to improve the development of their sea fisheries. The regulations governing the payment of such fishing bounties, as well as full particulars respecting their distribution, will be found in appendix number 2.

The same amount is always voted every year, but the amount distributed varies according to the catches. In 1901 the catches were the most numerous. As to the causes of the variations they depend on many circumstances. Sometimes the fishing season begins later and sometimes the weather is unusually stormy and various causes which cannot be controlled.

Mr. LEFURGEY. Would the minister tell me why this bounty is not given to the lobster fishing ?

Mr. PREFONTAINE. Because they are not included by the law. The fishing bounty is only paid to deep sea fishermen.

Mr. LEFURGEY. Would it not be well that the boat fishermen should participate in these bounties also ? The lobster fishermen are boat fishermen, and I cannot understand why they should not be paid also. I would invite the minister to bring this matter up in council and see if some relief cannot be given to these fishermen. I see no reason why they should be prevented from participating in these funds, while other boat fishermen throughout the maritime provinces do participate in them. The minister has shown a difference between the bounty paid in 1895 and that paid in 1896, saying that the catch was larger in one year. Well, I am aware of several cases where that principle has not been followed out. For instance, the lobster and oyster fisheries have been falling off simply because the service has not been sufficiently protected. I gave an instance the other day where the minister had departed from the Order in Council, refusing the grant of any new licenses and some new lobster canneries had got licenses in a place where the circumstances were absolutely at variance with the policy announced by the minister in that regard. Now, I find :

Of the many efforts made by the Dominion government to foster and promote the sea fisheries, the most recent, and in many respects, the most remarkable, is that of providing, under federal auspices, facilities for the storage and preservation of bait in refrigerators. The subject of cold storage for bait, and of fishery products generally, has for over twenty years engaged the attention of the Department of Marine and Fisheries.

He goes on to laud the policy of the present administration in regard to the bait grievance. Now about a month ago a newspaper was sent to me from a party down in Nova Scotia, giving some information about the bait freezers, and it would seem from this letter I find in the paper, that the bait freezers are not the unqualified success the minister would have us to understand. For the benefit of the minister, I will read this clipping, dated May 5, this year, and the committee also might like to hear it :

GOVERNMENT BAIT FREEZERS.

They are not the success which their promoters said they would be.

Although much has been said about what the Canadian government has been doing to enable fishing vessels to procure bait, scores of vessels are now in the harbour waiting for that article.

This was on May 5th of this year :

The Fisheries Department of the Canadian government has tackled the problem of a full and constant supply of bait in a manner at once inefficient and extravagant. Its actions in this connection have obviously been dictated by a desire to advance the interests of party rather than to promote the welfare of our fishermen. This is admitted, and regretted by all interested in the fisheries, irrespective of their political allegiance. Even Moses Nickerson, who was one of the first to advocate government encouragement to a cold storage system, has condemned the department's methods of establishing bait freezers on the coast.

As a number of fish merchants have for some years been operating bait freezers for their own purposes, the proper procedure would have been to hold out inducements to these men to extend their operations in this line, and to give a bonus not on the construction of freezers, but according to the amount of bait placed in them. This was the method advocated by practically all authorities on fishery matters.

The government, however, could not see its way to encouraging fish merchants to increase a legitimate line of business—probably because some of the more prominent men owning and operating bait freezers were not of the right political complexion. So it paid half the cost of twenty-four small bait freezers, which for very natural reasons have been of no practical benefit to the fishermen. The companies organized to take advantage of the government's bounty had no experience with cold storage plants and consequently some little error in construction or operation militated against their success. In one instance, a freezer was insulated with ordinary tar paper, and the bait and food fish placed therein became so impregnated with the odour of tar as to be completely spoiled, whereupon the officers of this particular company wrote to the Fisheries Department that they had lost $500 or so by the experiment, and that if the government did not make good their loss it would lose some valuable supporters in that constituency. A naive confession, doubtless, of the political creed of the 'Laurier and Préfontaine' Grits !

Not content with wasting $25,000 or more on the small freezers, the government has made arrangemnets to bonus the construction of a large freezer in Canso—to expend $30,000 or $40,000 to no purpose, except possibly to help its machine workers. The Canso Cold Storage Company, which will receive this government grant, proposes to supply the bank fleet with frozen bait. The prospectus of the company should be read by all fishing vessel owners and by all fishermen. With easy indifference to the rights of our fishermen, it shows how the franchise for $31,000, granted by the government to the Whitmans of Canso, to be exercised for the benefit of the bank fishermen, is to be converted into an instrument to promote the interests of a group of capitalists.

As matters stand at present, the hopes of the company, as foreshadowed by the prospectus, are not likely to dispose of 10,000 barrels of frozen squid to the bank fleet every season, and make a profit of $5 on every barrel. Our bank fishermen will buy squid direct from the catchers rather than from this company, because, while fresh and unfrozen squid will keep in their holds a week or more, bait taken out of cold storage decomposes in a few hours. The establishment of a large bait freezer at Canso cannot therefore, under present conditions, be of much benefit to our bank fishermen, though the promoters of this project will doubtless be well paid for their trouble by the government grant. In devising its latest cold storage scheme the department has ignored a factor necessary to success—that is the fitting of bank fishing vessels with cold storage plants. With a large supply of frozen bait at ports like Canso, fishing vessels provided with cold storage could utilize frozen bait effectively, and could carry on their operations with much less loss of time than now. These plants could be put in for $35 or $40 per vessel.

The cold storage plan is all right in principle ; and if worked out in a practical manner would no doubt be of great advantage to the fishermen. But the Department of Fisheries is anything but practical, and its efforts in this connection are only likely to increase the difficulties of the fishermen in procuring bait, owing to the fact that the large grant to the Canso Cold Storage Company will tend to enable that concern to acquire a monopoly of that commodity in the vicinity.

It is little wonder that Nova Scotia fish merchants are advocating the Scotch method of administering the fisheries ; that is, by a board of practical men, representing every branch of the fishing industry. In Scotland the board of fisheries is independent of politics, and is somewhat analogous to school boards in this province. The appointment of all officials under its control is determined by competitive examination, thus insuring the choice of the most experienced and best informed men. In Canada, where the only qualification for office under the department is a political pull, the majority of fishery officers can hardly distinguish one fish from another. As at present constituted, the Fishery Department is an easy mark for politicians, with theories and friends who need the public money in their business. Witness the work of Dr. Kendall. It was this politician who initiated the government bait cold storage scheme, and who, not content with wasting $25,000 in small freezers, fathered the scheme to put public money in the pockets of the Whitmans, of Canso. About three years ago Dr. Kendall, at the expense of the government, fitted up a Furness Line steamer with cold storage apparatus in order to test the possibility of shipping fresh lobsters to the United Kingdom. At the government's expense, Dr. Kendall sailed for England with a consignment of lobsters. At the end of three months, after taking a post graduate ccurse in London, the doctor returned to Canada, but though his excursion cost the government about $7,000, nobody seems to know whether or not it demonstrated anything of value to the lobster industry. A Halifax fish merchant informs me that he has repeatedly tried to procure a report of Dr. Kendall's experiment from the Fisheries Department, but without success.

Mr. ALEX. JOHNSTON. Before the hon. gentleman lays that away, will he kindly give to the committee the name of the author of that document ?

Mr. LEFURGEY. This is a newspaper article taken from the Halifax 'Herald,' and it was sent up to me with the request that I should look into the matter.

Mr. ALEX. JOHNSTON. Will the hon. gentleman say if the 'Herald' says so ?

Mr. LEFURGEY. This is headed 'Fishermen's Herald,' and it is taken from the Halifax 'Herald,' and as the Halifax 'Herald,' like all other good Conservative papers, is working in the interests of the fishermen and of other people in the maritime provinces, I have no doubt it does not publish matters that it is not cognizant of.

Mr. ALEX. JOHNSTON. Will the hon. gentleman deny that this is the work of an anonymous correspondent ?

Mr. LEFURGEY. Will the hon. member for Cape Breton keep quiet until I am through, and then he can have his say ? Now, in the face of what the hon. Minister of Marine and Fisheries has put into this pamphlet, I would respectfully submit that the article I have just read should be taken into the consideration of this House, and that an investigation should be made to ascertain whether this campaign pamphlet is right or whether the case as stated by the correspondent of the Halifax 'Herald' is right. There is no doubt that if the hon. minister cannot account in a better way for the money that is being expended in his department, he will be like the Minister of Agriculture. I understand that one of the cabinet ministers in the corridor last night asked : Well, how did the Minister of Agriculture get along ? The answer was : Oh, Well, he got leave to sit again. I am afraid that if the hon. Minister of Marine and Fisheries does not give us a better explanation than he has he will have the same

treatment meted out to him. He will have leave to sit again.

Mr. ALEX. JOHNSTON. Mr. Chairman, will you permit me one word of explanation in regard to the subject matter before the committee? The article quoted by the hon gentleman is the work of an anonymous correspondent in the Halifax 'Herald.' I have some knowledge of the situation as regards the fisheries in my own constituency, and all I have to say to the hon. gentleman is that he will not get a reputable fisherman in Nova Scotia to vouch for the statements which he has quoted from an anonymous correspondent in the Halifax 'Herald.'

Mr. LEFURGEY. It does not make any difference in the world whether the correspondent is an anonymous one or not. If the hon. gentleman wants to turn up the article he can get the Halifax 'Herald' of May 5th and see it for himself, and I have no doubt that the Halifax 'Herald' will readily give the correspondent's name. But the main question is not whether this is an anonymous article. An article appearing in the public press in condemnatory terms of the work of the department on this line should certainly be called to the attention of this committee. The main question is whether this article is true or not. In the face of the campaign sheet issued by the Department of Marine and Fisheries, and paid for by the people's money, claiming that the government are doing so much in the matter of cold storage for the deep-sea fishermen, it is interesting to read the statements made in this article published in the Halifax 'Herald.' The matter comes down to the question whether the article is true or not, and whether the hon. minister is not misrepresenting, as in the case of the numerous other campaign pamphlets that we find floating around the country.

Mr. ALEX. JOHNSTON. I would like to ask the hon. gentleman whether he is prepared to say that any reputable fisherman in Nova Scotia is responsible for the article which he has quoted? It is insulting to the intelligence of this committee for the hon. gentleman to come here with an expression of opinion from a man who is both afraid and ashamed to give the people of this country his name.

Mr. LEFURGEY. I told you that the gentleman's name was appended to the article. If you want it you can have it, but you appear to be more anxious about the name than the truth of the statement that is made.

Mr. ALEX. JOHNSTON. Give his name.

Mr. INGRAM. Do I understand the hon. gentleman to say that the statements are not true.

Mr. ALEX. JOHNSTON. I say most emphatically they are not true.

Mr. JABEL ROBINSON. I have listened with a great deal of attention to the accusations brought against members of the government for their delinquencies, or rather for taking what does not belong to them according to their own version. What I wish to talk about principally is the condition of the St. Lawrence river, and for which the Minister of Marine is somewhat responsible. Although he has not been long in office he ought to know something about that river, for I believe he was raised at the head of navigation. It is his duty to see that that river of which we are all so proud should be made so as to be navigable without danger. He is aware that last Sunday morning an accident happened near Lake St. Peter by which a number of valuable lives were lost. I happened to be in Montreal last Sunday, and some of the officers on the Atlantic liners told me that they would not be surprised if many more accidents should take place. It was pointed out to me that nothing but pieces of white board scantlings stuck up in the river, were the guides for navigation. When I came up the river 17 years ago, we had green boughs along Lake St. Peter.

Mr. BENNETT. It was Palm Sunday.

Mr. JABEL ROBINSON. Of course that was not under the present ministry, but I do hope that the St. Lawrence river will be put in such a position that vessels will not be subject to be wrecked. It would not have occurred and should not if proper lighthouses were in that river; so I am told. I may say that it would not cost as much to put electric lights all along down the sides of that river, as would the loss of one of these large steamers. The question discussed this afternoon is whether the members of the government have the right to charge their cab-hire. According to their own showing they have no right, and they have been in power for eight years and have not made a law which would give them that right. Don't let this session pass without making a law under which a man who is working in the interests of this country will not be compelled to walk from station to station, or even from his home if he is an elderly person, without having his cab-hire paid. But let us have it legally done. It is said:

> He that takes what isn't his'n
> If he's caught he goes to prison.

These people who take what isn't their own leave themselves open to the law, and the ministers should not be in that position. Let them make a law at once so that a cabinet minister in the discharge of his duty, or deputy minister either, shall be allowed cab-hire legally. But, when it comes to life insurance it seems to me that we poor —I was going to use a strong word—have to insure our own lives, and so should the members of the government. They should

pay their own insurance out of their salaries and not expect the country to pay it for them. And as regads 'tips;' if they think that the poor people who pay the taxes feel warm hearted enough let them pay the 'tips' out of their own pockets. I don't think that the poor people who pay the taxes of Canada, should pay 'tips' for a man who is drawing $7,000 a year. I want this government to make a law now, so that when the independent party comes into power, and that won't be long, we will be able to pay the cab-hire legally. If the government does not make it a law legalizing this cab-hire, the responsibility for wrongful charges rests upon them.

Mr. PREFONTAINE. I wish to state to the hon. gentleman that he has been greatly deceived by what has been told him in reference to the accident last Sunday. The facts were misrepresented to him. The St. Lawrence from Sorel to Montreal is the best lighted part of the channel; there are gas buoys on both sides of the channel, and the accident was entirely due to a mistake by one or the other of the pilots, and had nothing to do with the channel in any shape or way. If we had lights every ten feet it could not prevent an accident when one or the other of the pilots makes a serious if not a criminal blunder. This is not the time, nor the place to discuss this question, because this important investigation, although ordered, has scarcely begun, and will not be finished for some days, until the commissioner can get the witnesses before him, when the ss. 'Cape Breton' returns from Sydney. I can promise the House that there will be a thorough and complete investigation into this casualty, which I repeat is not due to the river channel, because at that point there is certainly over a mile and a half of channel with from 15 to 40 feet of water. I do not wish the statement to go abroad without being contradicted, that this part of the channel is not in proper condition.

Mr. JABEL ROBINSON. I would be very sorry indeed to say anything that is not strictly correct.

Mr. PREFONTAINE. I do not mean to say that the hon. gentleman would make the statement unless it were made to him, but I certainly do think that somebody misrepresented the facts. It is well known to every one that at that part of the channel the aids to navigation are perfect.

Mr. INGRAM. Who is responsible for the proper signal lights on a vessel?

Mr. PREFONTAINE. The rule of the road regulates that. I do not want to prejudice the case in any way, but certainly a mistake has been made and the investigation will show who is responsible. The rules of the road were not carried out by some one of the officers.

Mr. JABEL ROBINSON.

Mr. INGRAM. The minister is quite right in saying that we should not prejudge the case, but it is stated that the accident occurred because of an insufficient signal light. Who is responsible for that?

Mr. PREFONTAINE. The accident must have happened through an error of judgment on the part of one of the officers as to the distance between the two steamers and as to the speeed with which the 'Cape Breton' was going down. She had just lifted anchor and was steaming down. Probably one or other of the officers did not correctly calculate the swiftness of the current.

Mr. INGRAM. I understand that one of the vessels gave the signal to pass by the left, and the other passed to the right, which of course meant a collision, and that one of the vessels blew the whistle a second time to indicate that it was determined to take the left side.

Mr. PREFONTAINE. Of course, I will not discuss the matter at present, as it might prejudice the case of one party or the otner. It appears clear that one of the boats was within its rights.

Mr. WILSON. I would like to ask the Minister of Marine and Fisheries why the buoys have not been placed in the Napanee river this spring?

Mr. PREFONTAINE. There has been some delay, but they are being placed now. There have been delays in many places this spring owing to the high water and the difficulty of reaching the points where the buoys are usually placed. That is the information I have from the department.

Mr. WILSON. I think there are other reasons. One man has been attending to this business for many years, and he only got $60 for doing it; and my information is that he has been informed that a vessel is to be sent up to place these buoys. If that is the case, the work cannot be done for double that amount of money. Besides, I think it desirable that the man who attends to them should live in the town of Napanee. I understand that there has been some difficulty with the minister as to the contract for keeping the buoys. I would like to know what the contract means—if it is not for placing them in the spring, looking after them during the summer and taking them out during the fall?

Mr. PREFONTAINE. I will look over the contract and see.

Mr. WILSON. I would like to have all the information in reference to this matter. I may say that the contract is dated in July, and I understand that the department expected that this man would put the buoys out this spring. He was instructed in April last year to place the buoys, and

the contract would be sent up to him to be signed. I understand that the department expected him to place the buoys in the river this spring as part of the contract, which would be doing a year and a half's work for one year's pay. I would like to know how soon the minister will give me the information.

Mr. PREFONTAINE. To-morrow. I will send it to the hon. gentleman by mail.

Mr. E. D. SMITH. The minister remarked that the portion of the river from Sorel to Montreal is the best lighted. How many gas buoys are in that distance on each side of the river, and how far are they apart ?

Mr. PREFONTAINE. I will lay on the table of the House a chart, showing the position and the number of buoys, with all the explanations.

Mr. SAM. HUGHES. I presume that the minister is prepared to give some explanation to the House and the country in reference to the pilots and officers generally in travelling up and down the St. Lawrence. The cattle shipped by that route come largely from the province of Ontario, and the freight rates have been very largely increased ; and I presume the minister will be prepared, either now or at some later time, when I intend to bring the matter up more definitely, to explain what is the training and qualification of these pilots, and what system he intends to adopt so that they will know something about the business. They do not seem to know much about it now.

Mr. TAYLOR. I hope the hon. gentleman will also give a report of the number of lighthouse-keepers on the St. Lawrence whom he has dismissed on one or two months' notice. Some of them have been doing service for fifteen or twenty years. I understand that the hon. gentleman, shortly after assuming office, went into an arrangement for using acetylene gas, that he has large works in Prescott for making the tanks for holding the gas, and a large steamer for delivering them at the points where the lighthouses are, and that this steamer is to move around and look after the lights in place of the men who have been faithful servants for many years, and who have been simply told that their services are dispensed with. I would not object to the change if it were going to effect economy ; but in my opinion it is not, but on the contrary, it will double the expense of every lighthouse on the St. Lawrence west of Montreal. There is the expense of a hundred men employed at Prescott building the tanks, the expense of purchasing carbide, which is made here in Ottawa, and in which one of the ministers, I understand, is a large stock-holder. I do not know whether another of the ministers is interested in the works at Prescott, which were formerly in Morrisburg, or not ; but the whole thing appears to me to be a big job, while the poor men who have been serving the country for years have been told to go on a month's or two months' notice, and without any retiring allowance except a couple of months added to their salaries. I put a question on the paper some time ago in reference to two men at Gananoque, and the minister replied that they had been fourteen years in the service, that their services had been dispensed with, and that it was not the intention of the government to give them any further remuneration than two or three months' salary. I think that is treating faithful servants unfairly. If it were going to save the country expense and give better lights, there might be some excuse for it ; but I do not think it will. I would like the hon. gentleman to bring down a full detailed statement, showing how many employees between Montreal and Toronto have been dispensed with, the number yet in the service, what moneys, if any, have been paid to them, if it is the expectation of the government to make any saving in the annual cost of keeping the lights, and if so, how much, from whom they are purchasing the carbide, and who are the shareholders in the companies that sell the government the carbide and other supplies.

Mr. PREFONTAINE. I will not undertake to give a list of the shareholders in private companies. All the other information I will be glad to furnish the hon. gentleman. I may say that the change from coal oil to acetylene gas was inaugurated by my predecessor on the recommendation of the officer in charge of this part of the department. Up to the present the change has worked very satisfactorily. We will be obliged to cease employing certain lighthouse keepers, but most of these lighthouse keepers complain that they are not paid enough. Most of them are applying every week and month for increases of salary, so that really I do not know that the case is one of very great hardship. There may be hardship in one or two cases, but I have not been made aware of any special case.

Mr. TAYLOR. What officer recommended the change from coal oil to acetylene ?

Mr. PREFONTAINE. Mr. Fraser, who is the commissioner of lights at present.

Mr. TAYLOR. When was he appointed ?

Mr. PREFONTAINE. About ten years ago.

Mr. TAYLOR. As commissioner of lights?

Mr. PREFONTAINE. No, he was in charge of the lights when I made the change.

Mr. TAYLOR. Surely the hon. gentleman has read in the newspapers of the numerous

explosions and accidents all over the country from the use of acetylene gas. The hon. minister is taking a great risk in going to the expense of making changes without thoroughly testing the lights.

Mr. PREFONTAINE. That has been done by the department and there has never been any accident.

Mr. TAYLOR. All over the country every month you read of explosions in churches—

Mr. PREFONTAINE. I have nothing to do with churches.

Mr. TAYLOR. I do not think any one would ever accuse the hon. minister of having anything to do with churches. But we read of accidents in churches and school houses through the use of acetylene gas.

Mr. PREFONTAINE. Not the kind of gas we use.

Mr. TAYLOR. I asked my hon. friend to give me the names of the parties who supplied the acetylene gas, and he said he would not give the names of private companies.

Mr. PREFONTAINE. The hon. gentleman asked me for a list of the shareholders and I said I could not give that.

Mr. TAYLOR. Will he give the names of the companies that supply the carbide ?

Mr. PREFONTAINE. Yes.

Mr. TAYLOR. And the contract price ? Then the people can draw their own conclusions as to whether a minister of the Crown is interested in one of the companies or not. I understand that a minister of the government is a member of the company which has the contract to supply the carbide for all these lighthouses.

Mr. PREFONTAINE. I am not aware of it.

Mr. LEFURGEY. Coming back to the question of bounties, I understand that the money comes from the fishery award.

Mr. PREFONTAINE. There is no such thing in the law. The law regarding bounties does not refer to the award. That question is being discussed with regard to a settlement between the provinces and the Dominion.

Mr. LEFURGEY. In looking up 'Hansard,' in the discussion on the appropriation of the interest from this fishery award, Sir Leonard Tilley said that the interest was being paid over in bounties to the fishermen.

Mr. PREFONTAINE. I am not denying that, but there is nothing in the law that refers to the fishery award.

Mr. LEFURGEY. He said further that if this money were handed over to the provinces, the Dominion would be under no obligation to pay a bounty to the fishermen. I understand that the government is contemplating distributing the money to the provinces in regular proportion. The hon. minister shakes his head. Looking up the files of the Charlottetown papers, I find that the hon. Mr. Peters, First Minister, has stated that the matter was practically settled, that the legal claim of Prince Edward Island to a just proportion of this award was acknowledged by the authorities at Otttawa and that an arbitration would be held to fix the amount. From the reports in the newspaper one would understand that this government has practically decided to arbitrate the matter and apportion the money among the different provinces. In the event of that taking place, and if the government take the view which was held in 1882 by the gentlemen who were then administering the affairs of this country, namely, that the bounties are paid out of the interest accruing from the fishery award, our fishermen will receive no further bounty. Can the hon. minister tell us authoritatively what will be the position of the fishermen in regard to the bounty provided the amount of the award is divided among the provinces to pay for the debts which our provincial Liberal administrations have been running up during the past ten years ? In Prince Edward Island, there is a government debt of over a million dollars ; and if the money from the fishery award be handed over to the Liberal administration there to pay for the extravagant debts, they have been running up for the last ten years, where will our fishermen come in ?

Mr. HACKETT. The fishing bounty is a very important matter to the people of Prince Edward Island. I was a member of this House when this legislation was introduced to pay the fishermen a bounty, and a few days ago, on the 13th of June, I find the following question on the order paper ;

Mr. LEFURGEY asked :

1. On what principle are bounties paid to fishermen in the maritime provinces ?

2. Why are not fishermen engaged in the lobster fishery allowed to participate in the bounty, as well as those employed in other branches of this industry ?

Right Hon. Sir WILFRID LAURIER (Prime Minister). The bounties are distributed in accordance with the statute passed in that behalf.

Perhaps the hon. minister will be able to place before the committee the statute on which that bounty is based.

Mr. PREFONTAINE. I think it is the statute of 1888. I will send for it.

Mr. HACKETT. While waiting for the statute, might I ask the hon. gentleman if there is a steamer employed in planting oysters in the maritime provinces, and is Mr. Kemp, who was formerly in the service of the government, still in the service of the government ? What amount of money did that service cost last year, and what kind of oysters are being propagated ?

Mr. PREFONTAINE. The hon. gentleman will find in the Fisheries Report, on pages 258 to 262, answers to all the questions he has asked with reference to the culture of oysters.

Mr. HACKETT. I find that the production of oysters in 1895 was valued at $192,000, while in 1901 the production had fallen in value to $173,000—quite a large falling off. This is in the maritime provinces, and I take the figures from a pamphlet issued by the hon. gentleman. I want to know what this Mr. Kemp is doing, whether he is travelling around the shores of this country in a steamer at the expense of the public without giving any result.

Mr. PREFONTAINE. The hon. gentleman will find in the report of the Fisheries Department, page 105, all the information he asks concerning oyster culture and the reason of the falling off. The details are all given, province by province. There is also an appendix, No. 5, page 139, in which the hon. gentleman will find a statement by the inspector.

Mr. HACKETT. Would the hon. minister say what results have been obtained from oyster culture in the Murray river ?

Mr. PREFONTAINE. I am informed they are giving the best results.

Mr. HACKETT. How many years since were these small oysters planted ?

Mr. PREFONTAINE. About three years ago.

Mr. HACKETT. Have there been any oysters exported yet ?

Mr. PREFONTAINE. Not yet.

Mr. HACKETT. How long does the hon. minister intend to continue this planting before he thinks the people may derive some revenue from it ?

Mr. PREFONTAINE. We have a special inspector over that business, and we will be guided by him in this matter.

Mr. HACKETT. What results have come from the work at Shediac, New Brunswick ?

Mr. PREFONTAINE. The results have been very good there also.

Mr. HACKETT. In what way have the results been good ?

Mr. PREFONTAINE. Our inspector has sent reports upon the work, we have seen the oysters, and have received them.

Mr. HACKETT. I remember when, some years ago, the oysters were totally exterminated on the Shediac. Can the hon. gentleman say that oysters have increased on the Shediac river, and to what extent? This work was begun on the Shediac ten years ago, and we should have some good results by this time.

Mr. PREFONTAINE. The results are good, as I have stated.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

WEST CANADIAN COLLIERIES, LIMITED.

House went into committee on Bill (No. 80) respecting the West Canadian Collieries, Limited.—Mr. Oliver.

Mr. OLIVER. There are some amendments which have been agreed to. The Bill, you will remember, Mr. Chairman, was left by the Committee of the Whole for the consideration of the Minister of Justice in regard to certain points that were raised. I understand that the Department of Justice has considered these points and that an agreement has been arrived at. I have not the amendments in hand, however, and I suppose the only course will be for the Bill to be referred back to the Committee on Private Bills.

Progress reported.

Mr. OLIVER moved that the Bill be referred back to the Committee on Private Bills.

Motion agreed to.

PATENTS OF SIEGFRIED GIRONCOLI.

House went into Committee on Bill (No. 126) respecting certain patents of Siegfried Gironcoli.—Mr. MacKinnon.

Mr. HAGGART. Were any amendments made in the Private Bills Committee ?

Mr. FISHER. Yes. Those amendments can be explained by the promoter of the Bill.

An hon. MEMBER. They can be explained as we come to them.

Mr. LANCASTER. I think we ought to have an explanation as to the general scope of the Bill. So far as I know it has not been discussed. I do not think the House ought to consider the amendments until we have some reason given why the Bill is required at all. The Bill is not a usual one, and I think the hon. gentleman in charge of it should give some explanation.

Mr. MACKINNON. The object of the Bill is simply to revive a patent the term of which expired and which thus became void. The patent expired without the knowledge of the patentee. He lives at a distance—in Austria—and was for a time ill, so ill that he was not able to attend to his business. When he recovered his health, he found that the patent had expired.

Mr. HAGGART. How long is it since the patent lapsed ?

Mr. MACKINNON. Only a few months.

On section 1,

Mr. MACKINNON. The object of the amendment made to this section by the Private Bills Committee is simple. It is to limit the time within which the order provided for in this Bill may be granted. If the necessary steps are not taken in six months the order provided for is not to be granted.

Mr. HENDERSON. Are all rights acquired by other parties safeguarded ?

Mr. MACKINNON. Yes, that is provided for in the last clause.

Bill reported, read the third time and passed.

KINGSTON AND DOMINION CENTRAL RAILWAY COMPANY.

House in Committee on Bill (No. 123) to incorporate the Kingston and Dominion Central Railway Company.—Mr. Harty.

On section 7,

Mr. HAGGART. This is an extraordinary direction for a railway to run, from Kingston to Newboro, thence to Westport and from Westport to the Georgian bay between Parry Sound and Midland. I think this Bill covers a charter at present held by the Brockville, Westport and Sault Ste. Marie Railway Company.

Mr. SPROULE. It covers a portion of the same ground.

Mr. HARTY. The reason for running the line from Kingston to Newboro is that the line shall run through 17,000 odd acres of mineral land which the promoters possess in that territory.

Mr. HAGGART. Does this not cover the ground of the Brockville, Westport and Sault Ste. Marie Railway Company who have a charter for an extension of their line to Parry Sound ?

Mr. HARTY. I believe they have but there is a considerable mileage between the locations of the two railways.

Mr. SPROULE. It covers part of the ground near Newboro.

Bill reported, read the third time and passed.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill (No. 129) respecting certain patents of Edwin R. Cahoone.—Mr. German.

Bill (No. 130) respecting the Huron and Ontario Railway Company.—Mr. Wm. Ross.

Mr. MACKINNON.

SUPPLY.

House in Committee of Supply.

Mr. DEPUTY SPEAKER. At six o'clock the committee was considering item 16 and the amendment of Mr. Taylor thereto.

Mr. LEFURGEY. Mr. Chairman, shortly before the committee rose I was speaking about the bounty question and I asked the hon. Minister of Marine and Fisheries (Mr. Préfontaine) some questions relative to the payment of the bounty should arrangement be brought about for the distribution of the fishery award among the several provinces. The hon. gentleman seemed to be at some doubt as to whether the fishery bounty to the fishermen would lapse provided such an arrangement were come to and the provinces took charge of the money as apportioned to them by arbitration or otherwise. I asked a question on June 13th in regard to the fishing bounties as follows :

1. On what principle are bounties paid to fishermen in the maritime provinces ?
2. Why are not fishermen engaged in the lobster fishery allowed to participate in the bounty, as well as those employed in other branches of this industry ?

As I remarked before I got a very unsatisfactory answer from the right hon. leader of the House (Sir Wilfrid Laurier) who said :

The bounties are distributed in accordance with the statute passed in that behalf.

This was not a very satisfactory answer for the right hon. First Minister to give to a question of that kind. At least he might have referred to the statute and stated where we could find the information. I find by turning up the statute passed on May 17, 1882, that the right hon. First Minister was wrong in saying that the bounties were distributed according to the statute. I have here 'An Act to authorize an annual grant for the development of the sea fisheries and the encouraging of the building of fishing vessels.'

The preamble reads as follows :

Her Majesty, by and with the advice and consent of the Senate and House of Commons, enacts as follows :

1. It shall be lawful for the Governor in Council to authorize the payment out of the Consolidated Revenue Fund of Canada, of an annual grant not exceeding one hundred and fifty thousand dollars, as an aid in the development of the sea fisheries of Canada, and the encouragement of the building and fitting out of improved fishing vessels, and the improvement of the condition of the fishermen ; such grant to be appropriated for the said purposes under orders to be made from time to time by the Governor in Council, and at such times and by such instalments in each year as he shall direct by such orders.

I have looked over the volume containing the Orders in Council for 1882 and the suc-

ceeding year and I can find no Orders in Council on this subject nor do I believe it is customary for the Department of Marine and Fisheries—

Mr. PREFONTAINE. Will the hon. gentleman allow me to refer him to page 15 of the report of the Department of Marine and Fisheries for 1903 ? He will find the whole of the statistics concerning the payment of the fishery bounty and showing how the fishery bounty has been paid since 1882 to this day.

Mr. LEFURGEY. I am referring to the manner in which the right hon. Prime Minister answered my question. He told me to refer to the statute.

Mr. PREFONTAINE. If the hon. gentleman had looked at the report he would have seen how the bounty has been paid.

Mr. LEFURGEY. When I ask for information I am supposed to get proper information and proper courtesy from the other side of the House.

Mr. PREFONTAINE. The hon. gentleman is not supposed to read ?

Mr. LEFURGEY. Well, I only want to be accorded fair treatment and when I ask a question in a proper manner I suppose that proper courtesy shall be shown me in answering that question. I find that there is no statute regulating the payment of this bounty. I can find no Order in Council in this book although the bounties were paid ; but the second paragraph of the Act says :

2. A statement shall be laid before both Houses of parliament within the first twenty days of next session, of the mode in which the said grant shall have been expended, together with copies of all Orders in Council relating to such grant and expenditure ; and during the same session and each session thereafter, a statement shall be laid before both houses of parliament, of the mode in which it is proposed to distribute the grant in the ensuing year, and the assent of parliament shall be obtained thereto.

Now, I do not think the government has complied with that law. Did the Department of Marine and Fisheries within twenty days of the opening of parliament lay on the table of the House a statement as to the mode in which next year's bounty was going to be distributed, as the law requres.

Mr. PREFONTAINE. How can I tell beforehand ?

Mr. LEFURGEY. You can make an estimate, the same as you do for the other services of your department and according to this statute you are obliged to do it.

Mr. PREFONTAINE. It appears in the departmental report which is laid before the House.

Mr. LEFURGEY. That report tells how last year's money was distributed, but it says nothing about the ensuing year, and you have not complied with the law. I asked the minister why the lobster fishermen did not participate in the bounty, and I got no satisfactory answer. There is nothing in this Act to prevent the lobster fishermen sharing in the bounty the same as other fishermen, and the government can pass an Order in Council at any time to allow them to participate. I strongly urge on behalf of the lobster fishermen of Prince Edward Island that they should get a share in the bounty. The lobster fisheries have not been so lucrative of late years as they formerly were, and those engaged in the industry are entitled to their share of this bounty. There is another question I want to ask the hon. minister. In the event of the $4,500,000 of the fishery award being given to the provinces, and when Prince Edward Island gets its share to be utilized probably in wiping off the debt of over three-quarters of a million dollars incurred by the extravagance of Liberal administrations, and especially by the present administration during the past ten years ; are the fishermen of the province to continue to receive the bounty ? I asked this question before, and I was told by the minister that this had nothing to do with the matter, but I find on page 1512 of 'Hansard' for 1882, that when Sir Leonard Tilley was introducing this Act, he stated :

It was also considered that the interest on the $4,500,000 awarded by the Fishery Commission should be distributed among the fishermen who, under its operation, had been compelled to give up the advantage of having access to the American market for their fish. We hope, within the next month or so, to be able to pass the Order in Council based upon this resolution, to an extent that will very likely be about the $150,000 asked for.

It was the declared intention of the government at that time, that the fishery bounty was to be granted from the interest accruing on that $4,500,000, and now, if that money is to be paid to the provinces, I would like to have an assurance from the government as to what will be the position of the fishermen with regard to the bounty.

Mr. MACKINNON. I wish to make a remark or two on the subject brought before the House by my hon. friend (Mr. Lefurgey). I hope his object is not to stir up the fishermen on the island, into believing that the bounty will be done away with. Of course the Minister of Marine does not know until the question is decided by the proper tribunal, whether the Dominion government will have to give this money to the provinces or be allowed to retain it. When that point is settled it will be plenty of time to decide whether the Dominion government shall continue to pay the bounty or not.

Mr. LEFURGEY. Not at all.

Mr. MACKINNON. The fishermen have the assurance of the premier of Prince Edward Island, that in the event of the money being given to the province, and if, the Dominion government does not continue to pay the bounty, then the provincial government will pay the same sum that is now received by the fishermen of the province. That amount will be paid at any rate, and the fishermen are quite satisfied on that score.

Mr. LEFURGEY. We will have to wait and see if they are.

Mr. MACKINNON. We will have to wait until the question is decided. This is a question in reference to which legal authorities have held different opinions ever since the fishery award was paid. The late Minister of Justice took strong ground, that the money belonged to the provinces, and Mr. Dickey, who was Minister of Justice in the Conservative government, also held the same view. The question is open to argument. After it is decided it will be time for the Dominion government to consider whether or not they will continue to pay the bounties to the fishermen. There is one suggestion which the hon. gentleman (Mr. Lefurgey) makes, and in reference to which I am in entire accord with him. I believe strongly that bounties should be paid to the lobster fishermen in certain cases. In the earlier days, the lobster fishermen did not receive bounties because the boats in which they fished were generally owned by the lobster packers, and they made a good deal of money out of the business. However, at the present day a great number of the lobster fishermen own their own boats, and as the lobster fishery is not so remunerative as formerly the bounty would help them a great deal. The suggestion of the hon. member for East Prince (Mr. Lefurgey) is well worthy the consideration of the minister, and especially so when we find that the payments made to the fishermen of Prince Edward Island, as compared with those made to the fishermen of Nova Scotia, are very small indeed. It has been small for the last twenty or thirty years. I would like the minister to consider that aspect of the matter.

Mr. LEFURGEY. I am not in accord with the remarks of the hon. member for Queen's (Mr. MacKinnon), for I think we are entitled to know what position the fishermen of Prince Edward Island will be in if this distribution of the money should be made. Being somewhat familiar with the financial position of Prince Edward Island, and the obligations we are under already, I can readily see that if this money is paid over to the provincial government, it will be used to wipe out a matter of $1,000,000 which has already been run up and is increasing at the rate of from $25,000 to $50,000 a year; and if the fishermen in Prince Edward Island have to depend upon the Liberal administration to carry on the affairs of Prince Edward Island without a deficit, and to leave an amount over for the payment of the bounties which we want extended to the lobster fishermen, they will come out at the short end of the horn; and I consider that we have a right to a statement from the Minister of Marine and Fisheries on this occasion as to the exact position this question is in before the government. I know that the representatives of the different provinces have been here on three or four occasions, and I have it on very good authority that an arbitration is to be held to decide the share to which each province is entitled. The hon. minister shakes his head. Would he be good enough, then, without my plying him with questions, to make a statement as to what stage this matter has reached?

Mr. PREFONTAINE. There is no statement to be made, because nothing has been done yet.

Mr. HACKETT. Does the hon. minister state positively that nothing has been done between the premiers of the different provinces?

Mr. PREFONTAINE. There have been negotiations, but no conclusions have been arrrived at.

Mr. HACKETT. I have seen it stated in a Prince Edward Island newspaper that the premier of that province, Mr. Peters, on his return from Ottawa a few days ago, made the statement that the matter was to be submitted to the Privy Council for adjudication, and that in the event of the Privy Council deciding that the fishery award was the property of the provinces, an arbitration would be held to apportion it. Has the matter gone that far? What has been done in that respect?

Mr. PREFONTAINE. Negotiations have been pending since 1899, I think, but no conclusion has been arrived at.

Mr. LEFURGEY. I may say to the hon. minister that the premier of Prince Edward Island, when he was up here the last time, told me that arrangements had been completed for the settlement of this question.

Mr. PREFONTAINE. I suppose he knew.

Mr. LEFURGEY. Will the hon. minister tell me, then, what position the bounty would be in, in the event of the distribution of this money to the provinces? Is the hon. minister prepared to state that the taking of this money out of the hands of the Dominion government would not annul the payment of the bounties to the fishermen?

Mr. PREFONTAINE. I am not prepared, as I stated just now, to make any statement whatever until the matter is settled or agreed upon.

Mr. LEFURGEY. I am glad the hon. minister has withdrawn from the position which he took before six o'clock. At that time he seemed to be quite sure that this bounty would be paid to the fishermen anyhow.

Mr. PREFONTAINE. I beg the hon. gentleman's pardon. I did not state anything of the sort. He probably misunderstood my bad English. Another time, when I have to make a statement, I will make it in French, and I shall probably be understood.

Mr. LEFURGEY. I understood the hon. minister in English very well.

Mr. SPROULE. I have a distant recollection of the discussions which took place over this fishing bounty several years ago. The question was whether the money would be divided among the different provinces according to what each was entitled to, or would be funded and the interest on it paid out to the fishermen from year to year. The contention was set up that if the money were divided, it would be disposed of just as the hon. member says it is intended to dispose of it in the future. It was decided, after long conferences, that it was better to retain it in one fund, and distribute the interest by way of bounty to the fishermen, from year to year, and I think a statute was passed carrying out that intention. Therefore, I take it that no change can be made until that Act is repealed, or until the courts decide that the money should be given to the provinces separately.

Mr. WILLIAM ROSS (Victoria, N.S.). Speaking on behalf of the province of Nova Scotia, I may say that it is not desirous of making any change, but is quite satisfied with the system of bounty given to the fishermen at the present time. I am certainly in favour of the bounty being extended to the lobster fishermen, and I do not see any valid reason why that should not be done.

Mr. KAULBACH. I can endorse the remarks of my hon. friend from Victoria (Mr. Wm. Ross) as far as they have gone, but with regard to what my hon. friend from Grey (Mr. Sproule) has said, while he has some knowledge of the subject, I regret that he has not that accurate and extended information we would desire.

Mr. SPROULE. I do not pretend to be accurate, because I was speaking from memory.

Mr. KAULBACH. The hon. gentleman was in the House representing the county he now represents at the time that legislation was passed, and I remember right well the then Minister of Finance, Sir Leonard Tilley, being strongly urged by myself and others to give this bounty to fishermen because they had become so numerous that their business was not sufficiently remunerative and in consequence were migrating to the United States. We urged that, in order to prevent this, they should be encouraged to prosecute the deep sea fishing and the government of that day acceded to our representations. It was also considered that the giving of a bounty would not only so encourage the prosecution of deep sea fishing, but also the industry of shipbuilding and in this way keep a large number of our mechanics at home as well. But while I endorse the views of my hon. friend from Victoria, I am of the opinion that the government should increase the bounty and give the lobster fishermen a share in it also. These fishermen (the deep seamen) are not getting the reward from their industry which they used to enjoy in the past, and the result has been that many of them have gone to the United States to seek for labour in other avocations. To counteract that tendency, I think the government should increase the bounty and include the lobster fishermen among those entitled to share in it. I understand that the amount of $4,500,000 was in the exchequer of this Dominion for some time before any action was taken to give our fishermen a portion of that money in the shape of interest. It would, I believe, be most unwise for this government to hand over that money to the provinces for the reason that in that case it would go into other channels and the fishermen would not have that security with regard to the payment of their bounty which they enjoy at present, whilst the capital sum is funded in the Dominion treasury. I would therefore ask the government to let the matter rest as it is. I was under the impression that it was settled in 1882 with the consent of the respective maritime provinces. I understood that the provinces agreed that this money should remain in the hands of the federal government and not paid over to the provinces, and only the interest on it paid out to the fishermen in the shape of a bounty. I think, now that the fishermen are increasing in numbers, that the amount of the bounty should be increased so that the apportionment meted out to each fisherman would be the same as in years gone by. During the past year the amount was somewhat less than in the previous year.

Mr. WM. ROSS (Victoria). Not less to boatmen—a little more to boatmen.

Mr. KAULBACH. The apportionment was less to the fishermen as a whole than in the previous year. I would strongly urge the Minister of Marine to allow the matter

to rest and not put it in the hands of parties who knew very little about the situation and the needs as respects the fishermen. Let this amount remain where it is and give the increased number of fishermen an increased amount from the exchequer, so that the payment to each man would be the same as in the past and in order that the lobster fishermen might also receive a share in the increased amount of bounty so granted.

Mr. FIELDING. My hon. friend is giving us another evidence, of which we have a good many, of the disposition of hon. gentlemen opposite to complain of our expenditures in a general way, and then to argue in favour of increased expenditure whenever we come to details. I am not blaming them on that ground, but I am merely pointing out that when every session they blame us for spending too much, they cannot be very serious. With regard to the lobster fishermen, I think I have stated already that I represent more lobsters in this House than perhaps any member in it. It is a great interest in my constituency, and I should be as anxious as any hon. gentleman to see that the benefits of the bounty are extended to lobster fishermen as well as others. But after all there must have been good reasons some twenty years ago why the grant was not extended to the lobster fishermen. It has never been extended to that branch of the fishing industry and the desirability of doing so was never raised.

Mr. SPROULE. It was then held that as the award arose out of our deep sea fisheries, it was the deep sea fishermen who should get the benefit.

Mr. FIELDING. At all events, we have had twenty-two years' experience of that system; and if the payment is to be extended to the lobster fishermen, the result will be that the amounts to the other fishermen must be reduced. If the expenditure was based, as I believe it was, upon the amount of the award, I fancy it would be difficult to make out a good case for increasing the amount. I am not saying 'No' to it at this time. I represent a fishing county, and, naturally, I share the desire of my hon. friend to do the best that is possible for our lobster fishing interest. Still I think it is fair to recognize the fact that the payment was based upon the amount of the fishery award, and represents the interest upon it; and, while we would have a good case to ask for a reapportionment of the interest, if that were required, we might not so easily be able to make out a case for an increase. I am not passing a judgment upon it now. I would like to see the lobster fishermen of my county, who are numerous, get the benefit, but I recognize the fact that our case would not be so strong now as if it had been taken up in this way twenty-two years ago. To make payments to the lobster fishermen and so reduce the amount to the others might easily cause discontent.

Mr. KAULBACH. I agree with the Minister of Finance (Mr. Fielding) that this was originally given to the deep-sea fishermen. At the time a request was made that the lobster fishermen should receive a share of the bounty also, but that was objected to by those who considered that they had not shared in the sacrifices, to make up for which the award was given by the American government. I would like the Minister of Finance to understand that I do not complain of expenditure when money is applied in the right channel. He can always count upon my support in expenditures when wisely calculated to develop the resources of the Dominion and keep our own people at home in our own country. And the way to retain our own people is to provide that every man shall be able to receive a fair day's wage for a fair day's work. The only way that that can be done in giving a bounty to fishermen is by providing an increased amount in the estimates this year. I cannot see why the Minister of Marine and Fisheries and his colleagues, having the surplus of which they boast, should not be generous enough to meet the reasonable wishes of these hardy sons of toil who earn a livelihood at the risk of their lives on the deep sea, and that by very great exposure and arduous toil.

Mr. LEFURGEY. I am pleased to hear the Finance Minister (Mr. Fielding) in his little talk on this subject. After his usual fashion, he qualified his remarks before he sat down. He tried to make out that if we gave the lobster fishermen the justice which he believed should be extended to them, we should be taking from the deep-sea fishermen. The statute of 1882 calls for $150,000, which may be expended under Order in Council passed from time to time. This statute does not prevent the government from authorizing, by Order in Council, the payment of money to lobster fishermen, for the matter is entirely in the hands of the government. The hon. Minister of Finance says that for twenty years nothing has been paid to the lobster fishermen. But is that a reason why the lobster fishermen, whose fishery has been decreasing, and who have been earning less money than they did at the time when the statute was passed, should not be now considered? Is it any reason why they should not have been considered at any time during the last eight years hon. gentlemen opposite have been in power? As to the plea of the Minister of Finance that if anything is paid to the lobster fishermen there will be less for the others and that dissatisfaction will follow, I find that in 1895-6 the fishing bounty paid out was $163,567, and in 1901-2 the amount was $159,942.

Mr. FIELDING. I think there was an amendment increasing the amount from $150,000 to $160,000. I know that we always speak of the sum as $160,000.

Mr. LEFURGEY. Then let us have another amendment, Mr. Chairman. In 1895-6 the amount paid was $3,567 over the amount provided for under the amendment of which the hon. minister speaks. As the Minister of Finance feels so strongly that the lobster fishermen should be accorded better treatment, I think he should be able to induce his colleagues to have another amendment and provide for the interest of the lobster fishermen.

Mr. KAULBACH. I think the Minister of Marine and Fisheries will see that if he grants an increase in the bounty over the block sum of $160,000 per annum the government will receive it back indirectly in another way. There is no class of men in the Dominion who contribute more to the revenue in the way of duties than do the fishermen. When they are successful they live very well, and when they are unfortunate and have a shortage in their catch it is pretty difficult for them to get along at all. If the bounty to them is increased, they will contribute as much to the revenue in return, and so the government will not be a loser by the transaction. I urge again very strongly that the hon. gentleman should accede to the request and increase this amount beyond $160,000.

Mr. COPP. I would like to ask the hon. gentleman (Mr. Kaulbach) a question, if I may. Would he advocate an increase to the vessel owners as well as to the fishermen ?

Mr. KAULBACH. If the revenue will admit of it, I would certainly do so. It would be an encouragement to shipbuilding and to ship owning. I do not wish that to be interpreted, as some persons attempted to thrust it in my face some time ago when I made a proposition for an increase in this House that it was because I am a shipowner and wanted the benefits for myself. I can truthfully say that I would be willing to surrender every dollar of the bounty, so far as I myself am concerned as a shipowner, to benefit the fishermen, but I want to see that the fishermen particularly are cared for. And I say that the increase should be made in a block sum, and let the increase go to the lobster catchers. Then if the government wish to increase the bounty to the deep-sea fishermen beyond what it is at present, I shall be only too happy to see that done also.

Mr. KENDALL. The question of the development of our fisheries is one of very great importance.

By an addition to the bounty our fishermen would receive on the average perhaps not more than 50 cents or 75 cents each so this kind of aid does'nt help them much. But there are some 47,000 of our fishermen who, if they were provided with means to obtain a constant supply of bait, and with better methods of transporting their fresh fish to the markets of the west, would then receive substantial benefit. I do not know what the minister said this afternoon, but I am free to say that I think the government is dealing with this matter in a broad and comprehensive way. A few years ago I had the honour to recommend to the government a scheme to assist the shore fishermen of the maritime provinces by means of refrigerators, and that scheme has now come into force. I would point out the fact that our fishermen have endorsed that scheme to the extent that already some twenty-nine bait refrigerators have been established, and I understand there are applications for five or six more. I venture to predict that before four or five years we will have from 75 to 100 of these on the coast beyond the mouth of the St. Lawrence river. Still these small refrigerators are not sufficient entirely to meet the requirements of the fishermen. According to my idea, and I think it is shared by many others, we should have large mechanical refrigerators at several points in the fishing district, one say at Strait of Canso, another at Grand Manan and another at the Magdalen Islands. As a matter of fact if we had had large refrigerators on the coast the summer before last, we could have stored up thousands of tons of bait which would have saved us last year. I think the member for Lunenburg (Mr. Kaulbach) will admit, more than a million and a half of dollars. Again I say that I think that if the government is going to do anything to meet the requirements of the fishermen it will not be by giving them small sums of $1 or 50 cents each in the shape of increased bounty. Efficient bait supplies and proper cold storage transportation facilities are the crying needs of the fishermen. While I am on my feet I would like to say that during the regime of the late Minister of Railways I found it impossible to impress the necessity of furnishing proper cold storage aids for transportation of fresh fish. I must now ask the present Minister of Railways and Canals, and I know I have the sympathy of the Minister of Marine in this matter, that proper refrigerator facilities be provided on the Intercolonial to meet the requirements of the great business that has already begun to develop. Eight or nine years ago the Intercolonial received $9,000 in freight rates for the transportation of fresh fish, last year it received $27,000 or $28,000, and I think I am well within the mark when I say that it is not at all unlikely that the trade in fresh fish between the east and the west will be developed to such an extent that the Intercolonial will receive not less than $100,000 yearly in freight.

Mr. KAULBACH. My hon. friend from Cape Breton (Mr. Kendall) refers to refrigerators along the Atlantic coast. Last year I endeavoured to encourage the fishermen of my county to invest in refrigerators, and also to encourage a large one in Canso; but I could not inspire them with the idea that the refrigerator fitted up with a chemical process would be of any service to them. They complained that fish bait frozen for the banks would only remain fresh for a little while, and then become a spongy substance, with no nutritious properties, and the fish only would take that kind of bait when they could not get anythink else. Fishermen as a rule want fresh bait, and when that is not to be had they will then only take bait from a refrigerator.

I am glad my hon. friend has referred to refrigerators, because it gives me an opportunity of speaking of another method that can be employed for curing bait fishes that will be far in advance of the present chemical process. A gentleman named Eaton has given me a description of this as a method, which he calls his process. He had an interview with the hon. member for Cape Breton, and I think my hon. friend is possessed with the same idea as myself, that it is an improvement on the old method of bait freezers. Mr. Eaton claims that he can make an ice that is completely crystallized and in which there are no air globules at all. He says that air globules in the ice have a tendency to injure or destroy the article intended to be preserved. But there are no air globules at all in the ice he makes, and he claims that it will preserve the fish three times as long as ordinary ice. He also says that it can be furnished for a mere trifle of cost, two cents and a half a ton, and can be made far cheaper by his method than gathering natural formed ice near a refrigerator. He claims that by his process he can make pure ice for domestic use, and that by a current of electricity passing through it all microbes and impurities that are usually found in water are destroyed. The ice thus produced, he says, is perfectly pure, and will last for a long time. He says that the fish remains fresh and good only so long as it maintains its phospheric properties, and when that is exhausted nothing is left but the pulp, which is not edible either for man or fishes. The same with meat, he says his method will preserve meat for a long time, in fact as long as you might wish to keep it, if maintained at a certain temperature.

I would recommend that the government have an interview with Mr. Eaton in reference to his patent. He is establishing an ice freezer at Montreal another at Toronto and he intends to have one placed in Ottawa. I have recommended him to visit the maritime provinces. He is at the present time in communication with some parties at Halifax and it is to be hoped that they will grasp the idea as the people in Montreal and Toronto have already done, and that we may soon have an improved system of freezing which will be far in advance of anything that is now employed by the present government at Sydney and other places along the Nova Scotia shore. I certainly would urge that matter upon the hon. member for Cape Breton (Mr. Kendall) who will understand the question sufficiently to see the advantage that would result if an improved system were employed instead of the one now at present under way at Sydney. I would say further that we should have an improved system of transportation which would enable the fishermen of the maritime provinces to get an advanced price for their fish, and that can be brought about by providing a system of cold storage in the cars of the Intercolonial Railway which would enable the fishermen to send their fish right to the Northwest Territories. They can then have all their fish sent summer or winter in refrigerating cars and they can also send boneless fish which, I am glad to say, is now being put up in my own county. There are two industries in my own county putting up boneless fish now in one, two, three and four pound packages which they are placing upon the market. You can take this fish and hold it up to the light and you will see no bones in it. It is almost transparent and it has not the offensive smell which fish very often have after lying for some little while. If that industry is carried on with proper encouragement and with a bait freezer such as I have spoken of, according to the system of Mr. Eaton, who is the patentee and who has the theoretical as well as the practical knowledge to carry it along, I believe we can make the fishing industry of the maritime provinces equal to that of any that can be found in the way of industries in any part of North America. I strongly urge again that the hon. Minister of Marine and Fisheries will make arrangements to have an interview with Mr. Eaton and gather from him all the ideas which he has on this subject and which he is quite sure that he will feel satisfied that this new method is in the interest of the fishermen. I would have brought a practical idea committed to paper that he gave me had I known that this subject of bait freezers would have come up this evening. I have left it in my room, but at a future time when this subject is up for discussion again I will submit it to the hon. minister or I can hand it to him at any moment.

Mr. HAGGART. There has been rather an important allusion made by my hon. friend from East Prince (Mr. Lefurgey) to a statement made by the premier of Prince Edward Island, and to a quotation or extract from a paper in Charlottetown as to an agreement being arrived at between the government and the different provinces pro-

viding for a different distribution from that which at present prevails of the amount awarded under the Washington treaty. The hon. Minister of Marine and Fisheries stated that no agreement had been arrived at up to the present moment for the purpose of submitting a case to the Supreme Coourt in order to get its opinion as to the liability of the different provinces.

Mr. PREFONTAINE. There are negotiations in progress but there is not final conclusion.

Mr. HAGGART. I thought the conclusion was so definite that a request would be made for a special meeting of the Supreme Court for the purpose of obtaining its opinion on this subject. Now that we are discussing the estimates of the Department of Marine and Fisheries, perhaps the hon. minister would state the stage at which these negotiations have arrived and whether the information or current gossip in reference to the matter is correct or not. My hon. friend from East Prince also referred to the distribution of the bounties. I understood that it was statutory, that an Order in Council was to be made for the distribution of bounties from year to year and the principle adopted upon which the distribution was to be made. Has the hon. minister had the Order in Council prepared for the distribution of these bounties in accordance with the statute ?

Mr. PREFONTAINE. Certainly. It is passed every year.

Mr. LEFURGEY. It has to be placed on the table of the House within 20 days after the opening of the session.

Mr. PREFONTAINE. It is in the report.

Mr. FIELDING. It is on the table. It is in the minister's report.

Mr. HAGGART. The report is for last year. The Order in Council has to be made antecedent to the distribution.

Mr. FIELDING. Certainly, that is correct.

Mr. HAGGART. The Order in Council which is in the report has reference to last year's distribution.

Mr. FIELDING. But at the time it was passed it had not reference to any past distribution but it had reference to the anticipated distribution. The Order in Council is passed before the distribution is made.

Mr. HAGGART. Then I understand the hon. Minister of Finance to state that the Order in Council which was published in the minister's report of last year is the Order in Council intended for the distribution which is to take place of these bounties which the hon. Minister of Marine and fisheries is asking a vote for in the present year.

Mr. FIELDING. Before we pay the bounty there is an Order in Council passed for the distribution every season. Whether or not the blue-book covers the order for the current year or past year is a point which the hon. Minister of Marine and Fisheries will have to answer.

Mr. HAGGART. But, the point that my hon. friend from East Prince makes is that the Order in Council must be passed.

Mr. FIELDING. I can guarantee that it is always passed. It is passed every year before a dollar of the bounty is paid.

Mr. LEFURGEY. The statute says that the Order in Council shall be passed providing for the distribution of the bounty for the next ensuing year, and that it shall be placed upon the table of the House within twenty days after the opening of the session. Therefore, the Order in Council which the hon. Minister of Marine and Fisheries referred to was for the distribution of last year's bounty. We are entitled in this House to have the Order in Council that shall be passed showing how this money is going to be distributed for the next year, and I would make one more plea to the hon. minister that the Order in Council this year shall include the lobster fishery.

Mr. FIELDING. It cannot do that because the Order in Council for this year is passed.

Mr. PREFONTAINE. Yes.

Mr. FIELDING. And therefore the money is being distributed on the basis of that.

Mr. LEFURGEY. That is for last season.

Mr. FIELDING. No, for the current season's payments. Whether or not the Order in Council for the current season has been brought down I have no knowledge but if it has not been brought down, I agree with the hon. gentleman that it should be brought down. In every case the Order in Council is passed in anticipation of the payment and the money is being distributed now on the basis of that Order in Council. It could not be charged for the present season.

Mr. LEFURGEY. There will be another Order in Council passed at this sitting of the House for next year.

Mr. FIELDING. It is not passed at the sitting of the House.

Mr. LEFURGEY. During the sitting of the House ?

Mr. PREFONTAINE. The Order in Council is passed after the claims are received so that we can base the payment on the claims. The amount to be distributed is $160,000 and the pay-

ment is based upon the claims that are received. Before the distribution is made the Order in Council is passed. That is done every year. There are two Orders in Council cited in the report of the Department of Marine and Fisheries of 1903. There is one for 1902 and one for 1903 at pages 10 and 11. That is to show on what basis the payment in 1903 was made. The Order in Council was passed after the claims had been received determining in what way the distribution was to be made. That Order in Council is dated 6th February, 1903. The cheques are being distributed now, and an Order in Council was passed as to what basis the distribution was made this year. If that has not already been brought down, I will bring it down.

Mr. HACKETT. What about the negotiations ?

Mr. PREFONTAINE. Negotiations had been pending between this government and the representatives of the different provinces before I was a minister, but no decision had been arrived at. The discussion was as to whether there should be a reference to the Supreme Court to decide the points at issue from their legal aspect, or whether they should be decided on the basis of equity. There was a long discussion on that point, and up to the present it has not been decided whether or not a test case will be submitted to the Supreme Court. If there is a test case submitted, the question arises whether it will be on the legal points, or on points of equity, or whether it will go to arbitration. There is nothing decided.

Mr. HAGGART. Just negotiations.

Mr. PREFONTAINE. Just preliminary negotiations. A new element has come into the discussion because British Columbia sent a delegate, and we are discussing on what basis we can enter into an arrangement for settlement.

Mr. HACKETT. The explanation of the minister is satisfactory so far as it goes ; but it clashes greatly with what was said by Premier Peters in Prince Edward Island. I have a statement here given to the 'Patriot' newspaper by Premier Peters on his return to the island from Ottawa a few days ago.

Mr. PREFONTAINE. That is a newspaper report.

Mr. HACKETT. It is from the 'Patriot,' the organ of the government in Prince Edward Island.

Mr. PREFONTAINE. I cannot control that.

Mr. HACKETT. Well, here is what it says, and you will see whether it is or not :

The fishery conference.

Premier Peters who returned last night from Ottawa, on being interviewed by 'The Patriot' concerning the results of the conference with the members of the Dominion government said that so far as the Halifax fishery award is concerned, it was decided on the suggestion of the Minister of Justice to refer the matter first to the Privy Council of England to determine whether the Dominion government in equity or good conscience should pay the provinces the share of the award. Should the question be decided by the Privy Council in favour of the provinces receiving the award, the question of the amount payable to each province by the Dominion will be decided by an independent arbitration, to be selected by the provinces and the Dominion. The above course was decided upon, owing to the fact that Nova Scotia could not be persuaded to join with the other provinces in holding an arbitration as at first intended. The matter is being referred to the Privy Council under a statute which authorizes the Dominion government to ask the opinion of the King in Council as to any constitutional or other matter by which the Dominion government will be bound. This question will, if possible, be submitted immediately to the Privy Council.

At the above conference there were present Sir Wilfrid Laurier, Hon. H. R. Emmerson, Hon. W. S. Fielding, Hon. Mr. Fitzpatrick, Minister of Justice, and Deputy Minister Newcombe, Premier Peters, Hon. Benjamin Rogers, Hon. George W. Simpson, of Prince Edward Island ; Premier Tweedie and Attorney General Pugsley, of New Brunswick ; Mr. McCorkhill, treasurer of Quebec and representing that province ; Mr. A. B. Aylesworth and Mr. G. C. Gibbons, K.C., of Ontario, who has been retained by the Dominion government.

Mr. Peters appears to know a great deal more about this than does the Minister of Marine and Fisheries. Mr. Peter's statement is in direct contradiction to the statement of the minister and the minister's statement is in direct contradiction of what Mr. Peters said. Mr. Peters states absolutely that there was a conference, and that this was the decision arrived at and he states further :

Mr. A. B. Aylesworth and Mr. G. C. Gibbons, K.C., of Ontario, have been retained by the Dominion government.

Mr. CLANCY. Good jobs.

Mr. HACKETT. If Mr. Peters is correct these two eminent lawyers have been retained by the Dominion government, and yet the Minister of Marine and Fisheries knows nothing about it. This is an extraordinary contradiction. The Minister of Marine and Fisheries says he knows nothing about this.

Mr. PREFONTAINE. I never said that I did not know anything about the negotiations. The hon. gentleman was out of the chamber, or he did not understand me. I said, there were negotiations, but there was no conclusion arrived at. That is what I said very clearly.

Mr. LEFURGEY. I understand that the bounties which are being paid at present are for 1903 and not for 1904.

Mr. PREFONTAINE. Well, of course.

Mr. LEFURGEY. Has the Order in Council for the payment of bounties for 1904 been passed ?

Mr. PREFONTAINE. We pass the Order in Council when we receive the claims.

Mr. LEFURGEY. Then the minister is not complying with the statute.

Mr. MACKINNON. Will the hon. gentleman allow me to correct him. I have the statute here, and it says :

A statement shall be laid before both Houses of parliament of the mode in which it is proposed to distribute the grant in the ensuing year and the assent of parliament should be obtained thereto.

That can be done any time during the session. The point my hon. friends raised was as to this statement being laid before parliament within the first twenty days of the session. The hon. gentleman is wrong on that point. What the statute says with reference to the twenty days is :

A statement shall be laid before both Houses of parliament within the first twenty days of the next session, of the mode in which the said grant shall have been expended, together with all copies of all Orders in Council relating to such grant and expenditure.

That part of the section refers to what has been expended during the past year, and that is complied with by the presentation of the departmental report which was within the twenty days I presume. The statement as to the ensuing year can be laid before parliament if any hon. member asks for it at any time during the session, and not within twenty days of the opening.

Mr. LEFURGEY. I submit that that does not conflict in any way with my contention. The statute to which the hon. member for Queen's referred was passed, I believe, in 1886. The statute to which I referred was the first statute. It was passed in 1882, and required that the principle upon which the bounties were to be paid for the ensuing year was to be brought forward by Order in Council, and placed on the table within twenty days after the meeting of parliament. It was not the intention that the detailed statement should be placed before parliament, because that could not come until the number of the fishermen employed and the number of fish caught were known. At the present time we are entitled to call on the Minister of Marine and Fisheries to place on the table a statement of the method by which he intends the bounties of 1904 to be distributed. This is the reason I am bringing up the plea at this time. I am glad that the Finance Minister supports me in the view that the lobster fishermen should receive a portion of the bounty, and, as the Order in Council has not yet been brought down, I trust that they will be included in the bounty for the present year.

Mr. FIELDING. As my hon. friend assumes that the statute which he has read is still in operation, I think it would be well to make some inquiry as to that. My impression is that there must have been some amendment to it, because my recollection is that the practice referred to in that statute has not been literally followed. I have not any recollection of any order being brought down regarding the method of distribution for the ensuing year. Before the discussion is over the minister will be able to ascertain whether there has been an amendment.

Mr. MACKINNON. I might bring to the notice of the House the fact that in 1891 an amendment was passed providing for the publication of the rules in the 'Gazette' :

The Governor in Council may, from time to time, make such regulations as he deems necessary or expedient respecting the payment of the said grant and the manner in which applications for the same or any portion shall be made and established, and may require persons applying for the grant or any portion thereof to verify their claims or any statements made by any person in connection therewith, upon oath ; and any such regulation shall, after publication in the 'Canada Gazette,' have the force of law.

Mr. FIELDING. Does that repeal any legislation ?

Mr. MACKINNON. It does not repeal the Act of 1886, but supersedes it by making other provisions.

Mr. LANCASTER. The statute of 1886 does not amend the statute of 1882. It is a consolidation of the statute of 1882. It does not repeal sections 3 and 4 of the statute of 1882.

Mr. MACKINNON. It does not repeal those sections. Anybody in parliament can ask for the statement of the expenditure of the last year and get it, and can also ask for any Order in Council.

Mr. LEFURGEY. That is all the contention we are making. We want to know the principle upon which the payment is to be made, and not the details at all.

Mr. FIELDING. It would certainly be very difficult to determine now the manner in which the bounty would be distributed in the next season, because it would be necessary to ascertain the number of fishermen, the number of boats, &c., before the mode of distribution could be determined upon. Of course, if the Act is there, it either ought to be complied with or repealed.

Mr. LEFURGEY. Suppose the minister and all his colleagues advocated the payment of the bounty to the lobster fishermen, would not that be a principle of

which the House would be entitled to be informed. I am trusting that the Minister of Finance is going to do this, because he expressed himself so favourably to looking after the lobster fishermen, of whom he claims to have a majority in the maritime provinces. It seems to me that the lobster fishermen should get a portion of this money, and I would like to have an Order in Council brought down giving a bounty to these men.

Mr. FIELDING. My hon. friend's zeal for the lobster fishermen reminds me of a story; and while it is dangerous to tell a story in parliament, the occasion is sometimes too tempting to be resisted. A man went to a country shop keeper and asked what the price of flour was. Six dollars a barrel was the reply. That is pretty high, said the customer. Well, that is my price, said the dealer. But I have been over at Jones' shop, said the other, and he says the price is five dollars. Why then did you not buy from Jones, asked the dealer? Because he says he is out of flour. Well, retorted the grocery man, when I am out of flour my price is five dollars too. Hon. gentlemen opposite had many years in which to deal with the lobster question, and they did not do it. I conclude therefore that there must have been very good reasons why they did not.

Mr. LEFURGEY. I have always noticed that the Minister of Finance will contrive to find some little quibble to get him out of a difficulty. He has not advanced any reason. On the contrary he has acknowledged that the lobster fishermen have not received anything for twenty years, and this is the first occasion the matter has been brought up in the House. But the hon. gentleman has been sitting on the front benches during the past eight years, during which time he has not seen fit to bring up the case of the lobster fishermen. But when it is brought up by the opposition, he hurriedly rises in his seat and says some relief should be given them. He will find that he will not be able to dispose of this question by telling a little story, and I trust he will take up the question of lobster fishing in all seriousness. The fact that we have done wrong in the past is no reason why the hon. minister should persist in the same course.

Mr. FIELDING. The hon. gentleman is mistaken when he says this question was never brought up in parliament before. My hon. friend from East Grey (Mr. Sproule), who has been here for many years, has just told us that the matter was considered years ago, and it was found that the lobster fishermen were not so much concerned in the fishery award as the deep sea fishermen. The reason he gave is fairly open to argument, but the hon. gentleman is mistaken when he says this question was never discussed before.

Mr. LEFURGEY. I am quite willing to correct my statement and say that it has not been brought up in this House during the past eight years, during which my hon. friend has been on that side.

Mr. ALEX. JOHNSTON. The hon. Minister of Marine and Fisheries would do well to take into his serious consideration the case made out on behalf of the lobster fishermen, especially as he has the assurance that the payment of a bounty to these men will be supported by the opposition. It would be an addition of $100,000 or $150,000 annually to the amount paid at present, and I would ask that the minister would take the matter into his earnest consideration. When hon. members on this side propose an expenditure, they are apt to be charged with extravagance, but in the present instance that charge cannot lie, and I would ask the hon. minister to see whether he cannot come to the relief of these men.

Mr. J. J. HUGHES. I rise to endorse to some extent the remarks made by my hon. friend from East Prince (Mr. Lefurgey) but I think he is labouring under a misapprehension to some extent. He divides the fishermen into two classes—the lobster fishermen and the others, but as a rule the same people are engaged in both. If the amount is not to be increased, there will be no practical advantage in giving some of it to the lobster fishermen and some to the others, because in each case the same man would receive in both qualities. I presume there would be some difficulty in the way of increasing the amount. I am inclined to think that our friends from Ontario would oppose any proposition of that kind. I will be very pleased if our Ontario friends would support the government in proposing an additional sum of money to be distributed among the fishermen of the maritime provinces—say $100,000 or $150,000. But I would be very much surprised if they would. I have often heard them complain that there was too much money expended in the maritime provinces.

Mr. LANCASTER. Improperly expended.

Mr. J. J. HUGHES. I am glad to learn that they have discovered their mistake and are prepared to vote an additional amount for the fishermen, according to the statement of my hon. friend.

Mr. LEFURGEY. Is the hon. gentleman put up by the ministers to dictate the policy of the government?

Mr. J. J. HUGHES. I am speaking for myself only.

Mr. SPROULE. If such a proposal were made, would it not be equivalent to an

additional provincial subsidy to the maritime provinces ?

Mr J. J. HUGHES. Would my hon. friend support it if it were ?

Mr. SPROULE. The amount of the award was capitalized and the interest paid out to the fishermen ; and so long as they get that interest, they are getting all the proceeds. But if an additional amount were voted now, that would be practically an additional provincial subsidy.

Mr. J. J. HUGHES. That is the proposition which the hon. member for East Prince suggests and which he says the opposition will support

Mr. LEFURGEY. I never suggested what the opposition would do. I was simply speaking as a private member and stating what I think should be done for the lobster fishermen. I would ask the hon. gentleman from King's (Mr. J. J. Hughes) not to put words into my mouth which I did not utter.

Mr. J. J. HUGHES. The hon. gentleman said that the suggestion came from the opposition, namely, to pay a bounty to lobster fishermen, but he now withdraws the statement. If the amount cannot be increased, there would be no use in dividing it because the same men are both lobster fishermen and deep sea fishermen. Say the government give four dollars, then one man would get two dollars as a deep sea fishermen and two dollars as a lobster fisherman. That is what the hon. member for East Prince proposes and he thought he was expounding something which would be of great advantage to the lobster fishermen.

Mr. INGRAM. Would you support him ?

Mr. J. J. HUGHES. If this parliament were prepared to increase the amount paid the fishermen in the way of bounties, I would support it. I understood from the hon. member for East Prince (Mr. Lefurgey) that the opposition were going to support his suggestion.

Mr. HENDERSON. Nothing of the kind.

Mr. J. J. HUGHES. I thought as much. And so, the claims of the hon. gentleman and the great sympathy he has expressed for the lobster fishermen of Prince Edward Island fall entirely to the ground. I approve very much the suggestion of the hon. member for Cape Breton (Mr. Kendall) that the best way to benefit the fishermen is to make provision, as far as is reasonable and practicable, to supply them with bait and facilitate the best methods of catching, curing and marketing the fish. I think it is along these lines that the Minister of Marine and Fisheries is working. He is a very practical man and has shown a great interest in the fishing industry.

Mr. INGRAM. We have not heard of it very much.

Mr. J. J. HUGHES. You may not have heard of it in Ontario, but we have heard of it.

Mr. CLANCY. I suppose the hon. gentleman (Mr. J. J. Hughes) has read the minister's (Mr. Préfontaine's) book ?

Mr. J. J. HUGHES. Yes, I have seen his work, and I know what the fishermen think of him. And I am sure he will do anything and everything that is practicable to develop the fishing industry and promote the interest of those engaged in it. There is one suggestion I would make to the minister. I see that, under the regulation a fisherman must catch 2,500 pounds of fish, and fish for three months, to be eligible for the bounty, and that the time spent in fishing lobsters does not count. I would like to see that regulation changed.

Mr. LEFURGEY. That is the crux of the situation. That is where the hon. gentleman's (Mr. J. J. Hughes') statements are wrong.

Mr. J. J. HUGHES. I know as much about this business as does my hon. friend (Mr. Lefurgey).

Mr. LEFURGEY. You have not shown it yet.

Mr. J. J. HUGHES. I hope my hon. friend will not continue these unseemly interruptions. They are not creditable to him and are entirely uncalled for. I do not often take up the time of the House, and I am making a statement that, I believe, contains matters that are worth listening to. I believe the regulations should be changed so that the time spent in lobster fishing may count in qualifying for the bounty. The lobster fishermen are the bona fide fishermen. A man might spend the necessary length of time to qualify for the bounty and still not be really engaged in the business. But, if he is a lobster fisherman, you may be pretty sure that he earns his living by fishing. The lobster fishermen have to catch their bait, and when not fishing for lobsters they engage in fishing for cod, mackerel and other fish. Just one more point. The fishermen will continue to receive their bounties. Hon. gentlemen opposite need not worry over that. The bounty has been paid for a good many years, and whatever the regulations may be, the payment will be continued.

Mr. INGRAM. It is pleasing to hear the hon. member for King's (Mr. J. J. Hughes) speaking so highly of the Minister of Marine and Fisheries. The hon. gentleman has had favours bestowed upon him, and so he speaks with feeling. My hon. friend from East Prince (Mr. Lefurgey) and others on this side

have no motive except the welfare of the fishermen, but the hon. member for King's (Mr. J. J. Hughes) may view it with a selfish light, having been benefited as a partner in the fishing business. My hon. friend from East Prince (Mr. Lefurgey) asked the Minister of Marine and Fisheries what conclusion had been arrived at with respect to these bounties, and the minister answered that no conclusion had been arrived at. What could my hon. friend (Mr. Lefurgey) conclude but that there had been no move in any direction? But, as a matter of fact the Minister of Railways, the Finance Minister, the Minister of Marine and Fisheries, the Minister of Justice and the Prime Minister had an interview with Mr. Peters of Prince Edward Island, and they decided to refer the matter to the Privy Council. My hon. friend (Mr. Préfontaine) denies that. I understand that they also decided that, if the Privy Council decided in favour of the provinces, respecting the award, the amount payable to each province shall be decided by arbitration.

Mr. PREFONTAINE. I stated that the negotiations were on that line, but that no conclusion had been reached. I have studied the question, because that was part of my duty as Minister of Marine and Fisheries. But before this last interview took place I knew what points would be brought up and discussed. But no decision was arrived at.

Mr. INGRAM. But the hon. minister must not forget that his friend from King's (Mr. J. J. Hughes) is quite satisfied as to what the department is going to do.

Mr. PREFONTAINE. Because he assumes that we will do what is right.

Mr. INGRAM. And my hon. friend (Mr. Lefurgey) is not in the secrets of the minister, and must content himself without even a fair answer to his question. Is that the way the hon. gentleman proposes to administer his department?

Mr. PREFONTAINE. I do not understand it that way at all.

Mr. INGRAM. I understand from my hon. friend here that he made a statement which the minister disputed, otherwise he would not have been compelled to quote from the Prince Edward Island paper to substantiate the stand he took.

Mr. PREFONTAINE. I do not dispute the statement made by the hon. gentleman. He may make any statement he pleases, I am not responsible for it. I only stated what the facts are according to my knowledge, and that is all.

Mr. INGRAM. How could the hon. gentleman state that there was no conclusion arrived at?

Mr. PREFONTAINE. Because that is the fact.

Mr. INGRAM. He differs from my hon. friend. Does he mean to say that no court has come to a final conclusion?

Mr. PREFONTAINE. I beg my hon. friend's pardon. I stated, and I repeat again, that negotiations took place, but no conclusion was arrived at with regard to the points upon which we would arbitrate or go before a court, that no conclusion was arrived at one way or the other.

Mr. INGRAM. Then this paper was incorrect when it said a decision had been come to to refer the matter to the Privy Council of England?

Mr. PREFONTAINE. No, that was not the statement.

Mr. INGRAM. Is it true that this matter is to be referred to the Privy Council in England?

Mr. PREFONTAINE. I have stated just now what is true, and nothing else.

Mr. INGRAM. Will the minister say that that paper is not correct when it says this matter is to be referred to the Privy Council in England?

Mr. PREFONTAINE. I have given an answer as plain as possible.

Mr. INGRAM. Then I say that unless the hon. gentleman contradicts the statement, we must take it as correct. The hon. gentleman in order to support his contention had to quote what the paper stated, but in the first instance the minister did not deny it, he rather affirmed it, I thought; but now, on second thought, he has denied the statement. Then we have Mr. Peters coming up to Ottawa and then going back to Prince Edward Island, for the purpose of making some political capital, and allowing himself to be interviewed, allowing statements to be made in the public press that are not correct. That is the position, and that is the position the minister evidently bears out in this discussion, that Mr. Peters, according to that interview, has gone back to his province and stated what is not true. If that is the position of affairs, it is first-class literature for the Conservative party in Prince Edward Island.

Mr. LANCASTER. We cannot understand the facts about this matter unless we have a further statement from the hon. member for King's (Mr. Hughes), who seems to be acquainted with it, but will not tell the committee all he knows. He called on us members from Ontario to say what we thought about it. The first thing we say is that the law should be complied with, that if there is a statute it should be obeyed.

Mr. PREFONTAINE. Does the hon. gentleman state that the law has not been complied with?

Mr. LANCASTER. I am trying to keep myself right, and I want to see whether the member for King's will put himself right. Now, the minister says, in answer to the member for East Elgin (Mr. Ingram), as I understand him, that no conclusion whatever has been arrived at in regard to this matter. I accept that statement. Then no mode indicated by the statute can be suggested to this House at present. The member for King's wishes us to understand that he knows all about this matter, and he is indignant because we ask him to explain a little of what he knows, so that we may vote this money intelligently. When he makes that statement he is in direct conflict with the Minister of Marine and Fisheries, to whom he gave such high testimony for his ability and for the wonderful things he has been doing and who says no conclusion has yet been arrived at. He is supporting the minister because he has faith in his ability and fitness, and believes he will do everything right. That is a pure matter of faith. The member for King's has so much faith in the ability and propriety with which the minister will deal with this matter that he is prepared, without knowing anything about the way he will deal with it, to trust it entirely in his hands. Now, if the minister is correct in saying that no conclusion has been arrived at, then I think the member for King's ought either to ask the minister's permission to put upon the table his own scheme, which he knows all about, or else he ought to correct what he has said to the committee, and say that upon reflection he does not think he ought to ask the Ontario members to vote for an increased expenditure until the statute is complied with. Does the hon. member think that the members for Ontario, to whom he has appealed, ought to vote for an increased expenditure on a certain subject without inquiring how the minister is going to spend that money? I am prepared to vote for any reasonable expenditure when it can be shown that it will be used in the public interest, but I do not like to vote for an expenditure which is likely to be wasted, and unlikely to reach the beneficiaries for whom it is intended—that is the fishermen in this case. The hon. gentleman cannot shirk that question. He cannot ask this committee in all seriousness to say whether it will vote for or against an increase of the expenditure unless he gives it some reasonable ground upon which to exercise its judgment correctly, and those reasonable grounds would be: What mode, as indicated in the statute, is he going to adopt in the payment of the bounty, in order to expend this money so that it will do some good, and not be wasted politically and in other ways.

Mr. HACKETT. I do not wish to retard the passing of this item in the estimates there are one or two matters I desire to refer to. The hon. member for Kings, P.E.I. (Mr. Hughes) spoke all around the circle because he evidently desired to take a fling at hon. members from Ontario. I am an old member of this parliament. I have been off and on, a member of this parliament for the last quarter of a century, and I have found the members from Ontario as well as the members from the other provinces prepared to do justice to the little province of Prince Edward Island, the smallest province, but still the garden of the gulf. Therefore I say that I have always found the members from Ontario as well as from the other provinces willing to do justice to the province of Prince Edward Island and especially the members on this side of the House. The hon. member for King's talks all around the circle and he ends up by saying that if you pay an additional amount to the lobster fishermen you are paying to the same men; that is to say that if you are paying $2 to the lobster fishermen and $2 to the deep sea fishermen it all goes to the same men. He suggested to the hon. minister that he should so amend the regulations so as to allow the time spent in the lobster fishery to be included. That is what my hon. friend from East Prince (Mr. Lefurgey) is contending for. He contends that the time that the lobster fishermen, who after all is the fisherman of the country, spends in lobster fishing should be counted in the three months which it is necessary to devote to the fishery before he is entitled to the bounty.

Mr. J. J. HUGHES. There are two qualifications—three months fishing and the taking of 2,500 pounds of deep sea fish. What I meant was that the time spent in fishing for lobsters should count as far as the time is concerned, but that the fishermen should be required to catch 2,500 pounds of deep sea fish. Is that what my hon. friend means?

Mr. HACKETT. My hon. friend has gone back on his proposition. He recommends that the lobster fishermen should receive a share of this bounty but when he finds that he is cornered he goes back around the circle. Perhaps I am the only man in this House who has had a large experience in reference to the bounty, because for eight or ten years I was the claims officer in Prince Edward Island and I had to go around amongst the fishermen to ascertain their claims in reference to the fishing bounty. I felt that a great grievance existed on the part of the lobster fisherman. He had the necessary quantity of fish. In the herring fishery he would take the full quantity of fish in perhaps two weeks and then he would fish in the lobster fishery for six weeks but when it came to taking the oath that he had fished in the deep sea fishery for the prescribed length of time he could not do it. My hon. friend from East Prince contends that the time spent in the lobster fishery should be included and that the quantity of fish caught in the herring, mackerel or

cod fishery and other branches of the industry should also be included so as to make up the quantity of fish required under the regulations. That is all my hon. friend from East Prince is contending for and my hon. friend from King's will not object to that. It is only a reasonable proposition. It has been said in a way so very characteristic of the hon. Minister of Finance that for so many years this thing has escaped the attention of the government. Well, he has been eight years in office. He says that he represents more lobster fishermen than any other member of this parliament. Now that it has been brought to his notice we ask him to do something and we ask his colleague the hon. Minister of Marine and Fisheries to come to the relief of the lobster fishermen by allowing him to participate in this bounty as well as those who are supposed to be entitled to it because they are engaged in other branches of the deep sea fishery.

Mr. PREFONTAINE. I think at the point at which this discussion has arrived, it is important to put the facts of the law right. Let us first take the statute of 1882, chapter 18 which reads as follows:

An Act to authorize an annual grant for the development of the sea fisheries and the encouraging of the building of fishing vessels.

2. A statement shall be laid before both Houses of parliament within the first twenty days of the next session, of the mode in which the said grant shall have been expended, together with copies of all Orders in Council relating to such grant and expenditure; and during the same session and each session thereafter, a statement shall be laid before both Houses of parliament, of the mode in which it is proposed to distribute the grant in the ensuing year, and the assent of parliament shall be obtained thereto.

I have stated and I persist in my statement that I have followed the law, probably not the law as it is laid down by chapter 18, but the law as it exists. In 1886 the law was consolidated and virtually the same disposition was made. Chapter 96 of the Revised Statutes of Canada reads as follows:

An Act to encourage the development of the Sea Fisheries and the building of Fishing Vessels.

3. During each session, a statement shall be laid before both Houses of parliament, of the mode in which it is proposed to distribute the grant in the ensuing year, and the assent of parliament shall be obtained thereto.

It is simply a consolidation of the statute of 1882. We have in 1891 an amendment, 54-55 Victoria, chapter 42, by which the first section of the statute which I have just read is repealed and replaced by another one and two clauses, 5 and 6, are added.

Mr. COCHRANE. What are these clauses?

Mr. PREFONTAINE. They are as follows:

5. Every fishery officer who, by virtue of his appointment as such, is authorized by the Governor in Council, under authority of 'the Fisheries Act,' chapter 95 of the revised statutes, to exercise the powers of a justice of the peace, ex-officio, shall, for all the purposes of this Act and the regulations made under it, be ex-officio a justice of the peace within the district for which he is appointed to act as a fishery officer.

The Governor in Council may, from time to time, make such regulations as he deems necessary or expedient respecting the payment of the said grant and the manner in which applications for the same or any portion thereof shall be made and established, and may require persons applying for the grant or any portion thereof to verify their claims or any statements made by any person in connection therewith, upon oath; and any such regulations shall, after publication in the 'Canada Gazette,' have the force of law.

Mr. COCHRANE. That does not repeal the law that we have been talking about.

Mr. PREFONTAINE. Don't you be too impatient.

Mr. COCHRANE. The hon. gentleman stated that he was complying with the law when he has not complied with the law.

Mr. PREFONTAINE. Be patient.

Mr. COCHRANE. We have a good deal of patience and we get very little for it.

Mr. PREFONTAINE. 55-66 Victoria, chapter 18 passed in 1892 contains the following section.

1. Section three of an Act to encourage the development of the sea fisheries and the building of fishing vessels, chapter 96 of the revised statutes, is hereby repealed.

So that the obligation of depositing this Order in Council as regards the mode of distributing the bounties is wiped out and we are in the position of having applied the law as it exists. In the statutes of 1882, no mention at all is made of the Halifax award, but it was well understood that the $150,000, which was increased later to $160,000, was a kind of compensation for the fishermen whose rights had been infringed on. In the Washington Treaty of 1871, we find that there was no compensation contemplated to be paid for shell-fish, shad, salmon, and all fish taken in rivers and in the mouth of rivers. Under the treaty of 1818, the Americans were excluded from such fisheries, and therefore, it was not contemplated in the Halifax award, that any compensation would be paid by the United States for loss sustained by lobster fishermen, or fishermen who caught shad or salmon, or who fished in the rivers or mouths of rivers? It is therefore easy to understand that the question of paying a bounty to the lobster fishermen was not considered at the time. The question comes up now as to whether a bounty should be

paid to lobster fishermen. It is my opinion that those interested in the lobster industry will agree with what the hon. member for Cape Breton (Mr. Johnston) has stated. I am strongly inclined to believe, that the best way to aid lobster fishmen is to furnish them with greater facilities for securing bait, improved modes of preserving the fresh fish, and increased transportation facilities to enable them to put the lobsters fresh upon the market. I think this would have a more beneficial effect, not only on the individual fishermen, but on the industry generally, than would the payment of a paltry sum of one dollar or two dollars to a fisherman. At present we are trying to make the best regulations possible to save the lobster industry from that destruction which has attended it in other countries. It is only in Canada that we really have a lobster industry. The lobster fishery is depleted in the United States, and they are obliged now to buy their lobsters in Canada for their own market. I do not claim any particular credit to myself for the efforts which are being made in that department to improve the lobster fishery. When I entered the department eighteen months ago, I knew little about fisheries; I had to work hard to learn, and to take the advice of those who had experience and practical knowledge of all these questions. In the first place I took the advice given me by my officers, and then I had the views and suggestions of those engaged in the industry to guide me. I may say that the department is supposed to do everything possible to encourage not only the lobster fishermen individually, but the lobster industry in general, so that it may be preserved. Since 1899 we have not only provided bait freezers for ordinary fishermen, but we now intend to provide bait freezers for deep-sea fishermen. On the north coast of Prince Edward Island the cod fishery has been almost abandoned, and it is proposed to bring out Scotch fishermen to revive that industry. However, the first thing to be done is to provide bait freezers. Last year, the suggestion was made to us by some practical fishermen, that we should provide ponds for seed lobsters. This was a new idea, but we adopted it, and I am glad to say that there is reasonable hope to believe the experiment will be a success. Under the present law the fishermen are obliged to return seed lobsters to the water, but as we cannot have an inspector to every trap, we are fairly certain that notwithstanding the care we have exercised for several years past, seed lobsters have been destroyed. When you remember that a seed lobster contains about 10,000 eggs, you will see what a deterrent this must be to the increase of lobsters in our waters. On the suggestion of some practical fishermen, we leased a pond. and we set aside a certain amount of money to buy these seed lobsters from the fishermen at about the same price as they would obtain for them if they sold them in the ordinary way. The result was that we deposited in that pond last year over 50,000 seed lobsters, and the report of our inspector is to the effect that millions of small lobsters were put back into the sea, that at least as many young lobsters were put back as were caught in the whole season. In view of the success we have had, we intend to extend this system to other places where we think it is convenient and practicable to do it, and we hope to help in this way, not only the fishing industry, but directly and indirectly the lobster fishermen themselves.

Mr. SINCLAIR. I am very much pleased with the statement made by the Minister of Marine and Fisheries. Having listened carefully to the discussion on this question I was surprised that none of the hon. gentlemen who had spoken on the subject referred to the propagation of lobsters. That to my mind is the most important thing we can do for the lobster fisheries of the maritime provinces. It is not by paying the fishermen a small bounty that we can increase this industry. To my mind the question is whether we can preserve the industry at all. It has gone down considerably on the coasts of the maritime provinces during recent years. It is also a well-known fact that there was a large lobster industry on the coasts of the United States some years ago. Lobsters were caught on the coasts of New York and Massachusetts, and even as far south as Cape Hatteras. But they have practically disappeared from the coast of the United States except along a portion of the coast of the state of Maine. So that, as the minister has said, we have now practically the control of the lobster fisheries of the world, and it is of the utmost importance that we should see that everything possible is done to prevent them disappearing from our coasts as they have done from the coasts of Norway and the other northern countries of Europe, and from the coast of the United States. The efforts of the government should be directed to increasing the number of lobster hatcheries and pounds along the coast of Canada. The work that has been done in this direction on the coast of Pictou county is admitted to have been very successful. I have followed that question for some years past. I have visited the hatchery year after year, I think it is now about eleven years since it was established. For four or five years the fishermen were of opinion that it was a waste of money, and that the young lobsters which were put into the sea never came to anything; but as time passed on, and it was found that the fishermen on that coast were doing better than the fishermen

on any other part of the coast of Nova Scotia, they began to change their opinions ; and now you will not find a fisherman or a lobster packer within thirty or forty miles of that hatchery who is not of opinion that it has done a great deal to increase the catch in that locality. If we could have lobster hatcheries established along the coasts of the other counties of Nova Scotia where lobsters are caught, they would do a great deal more for the fishermen than the paying of a bounty to them for destroying the lobsters. What we want to do is to preserve and propagate the lobster and that is the direction in which the government should expend money. It is well known that the lobsters have considerably diminished. The fishermen do not catch as many as they did some years ago. I am told that the individual fisherman does not catch half as many in a day as he did fifteen or twenty years ago ; but I am glad to say that he gets for the half that he does catch a better price than he got for the larger quantity he caught formerly. In that way the business has been kept up. I also agree with what my hon. friend from Cape Breton has said in regard to improved transportation. We all know that fish is a perishable commodity, and if we cannot place it in the market quickly, it becomes worthless. The importance of suitable transportation facilities has been illustrated by the great progress that has been made with the halibut industry on the western coast of Canada. That industry did not exist until a few years ago ; but, with the appliances supplied by the Canadian Pacific Railway Company and the Dominion Express Company, it has been worked up, so that now western halibut can be placed on the markets of Boston and New York more quickly and more readily than our halibut caught in the eastern waters. I will read an extract from the 'Fishing Gazette' :

During the year 1903 there was shipped from Vancouver, B.C., by the Canadian Pacific Railroad 296 car loads of halibut of 24,000 pounds each. These large consignments come principally to New York and Boston, although some of it was landed in Chicago and other western centres. This amount will be undoubtedly exceeded this season. The splendid service given by the railroads, both in time and equipment of refrigerator cars, has been one of the strong factors helping to build up the business, so that to-day the halibut caught on the Pacific coast are not as old when they arrive in Boston or New York as fish caught on the halibut grounds of the east and landed at these points. This is owing to the great distance the vessels are obliged to go in the east and on account of the scarcity of the fish and the great length of time it takes to catch enough to make it a paying proposition to the vessel and crew.

That progress could not have been made in the halibut industry on the western coast of Canada if railway facilities had not been supplied. The fast train placed on the Intercolonial Railway a few years ago between Mulgrave and Montreal has done a great deal to build up the fishing industry on the eastern coast of Nova Scotia. Prior to that date a car of fish was sometimes left on a siding for days, so that when it arrived on the market it was worthless. But now, we can have fish shipped daily at Mulgrave with the knowledge that in fifty-one hours it will arrive in Montreal. We have on the Intercolonial what we never had before, a fast freight train, and it has done more to build up the fishing industry in the east than all the bounties paid by the government. Providing cold storage, giving better railway facilities and propogating the fish—these are the practical ways in which the government can benefit the fresh fish industry in the maritime provinces.

Mr. CLANCY. I have listened with some anxiety to the statement made by the Minister of Marine and Fisheries to-night. The province of Nova Scotia has been pressing for many years to have the fishery award handed over to the provinces.

Mr. ALEX. JOHNSTON. Does my hon. friend say that the province of Nova Scotia was pressing for this ?

Mr. CLANCY. I understood that Nova Scotia and the other maritime provinces wanted the whole sum handed over to them.

Mr. ALEX. JOHNSTON. I do not think the hon. gentleman has any warrant at all for that statement.

Mr. CLANCY. Then I am entirely misled by the statement of the Minister of Marine and Fisheries, because I understood it to involve that question.

Mr. PREFONTAINE. No.

Mr. CLANCY. What was the question ?

Mr. PREFONTAINE. The discussion came up on the question of what were the claims made by the different provinces to a share of the Halifax award. I did not mention the province of Nova Scotia at all, but the discussion was more regarding what had been said by Mr. Peters, the premier of Prince Edward Island, than anything else.

Mr. CLANCY. It is very astonishing that some gentlemen seem to be startled by an announcement of this kind. The hon. member for Cape Breton (Mr. Alex. Johnston) did not know that any one of the provinces had made a claim for any portion of the award.

Mr. ALEX. JOHNSTON. I was not in the least startled, but only wanted to point out that the statement which the hon. gentleman made was inaccurate.

Mr. CLANCY. Will the hon. gentleman then be good enough to enlighten us as to what the claims are that are being urged ?

Mr. ALEX. JOHNSTON. On behalf of Nova Scotia ?

Mr. CLANCY. On behalf of the maritime provinces generally.

Mr. ALEX. JOHNSTON. I have already said that the assertion that the province of Nova Scotia was pressing the matter on the attention of the federal government is inaccurate.

Mr. CLANCY. All we can conclude is that the hon. gentleman does not seem to know anything about his own province. We are not surprised that he should resume his seat without being able to give some intelligible information.

Mr. WM. ROSS (Victoria). Let me say emphatically that Nova Scotia has not asked the government to make any change in the regulations which have existed since the fishery bounties were given to the fishermen in Nova Scotia. That province is rather opposed to any change in the existing conditions and does not participate in the agitation from Prince Edward Island in any manner or form.

Mr. CLANCY. I am glad to learn that, as we were led to believe that all the provinces were urging for some participation in the award. I would like to ask the Minister of Marine if the government has consented to re-open the question.

Mr. PREFONTAINE. I can only repeat what I have said. There may have been negotiations—that is to say the government could not refuse to hear what those gentlemen had to state—but no conclusion whatever either to open the question or not has been come to ?

Mr. BELL. From what the hon. minister has said I suppose there is no intention on the part of the department to make any change in the regulations as regards the bounties. He is disposed to abide by the present regulations and assist the lobster fishermen by providing a better supply of bait and greater conveniences for the assembling of the fish at the factories and, I suppose, continuing the lobster hatcheries which we have at present. I know that the subject is exceedingly difficult and complicated. On the south shore it is claimed that the reduction in the number of certain lobsters leads to a loss of sea vegetation and the consequent scarcity of other fish, so that the maintenance of the lobster industry is important to other fishing industries on the coast. There is one improvement which it would be very desirable to make, and that is to have some method by which the size of the lobsters on the Nova Scotia coast could be increased. In the western part of the province they catch fairly large fish, which are shipped to the United States alive and bring remunerative prices, but on our coast the large fish are becoming scarce and no trade could be done in shipping live lobsters from that part of the coast. The only thing to be done is to continue the hatcheries. While the fish have not yet increased in size, they are increasing in numbers. I would be rather inclined to see the government continue the present system than divert a portion of the bounty to the lobster fishermen. There is some irregularity about the payment of the bounty. In the county of Pictou, I am informed that some of those who have received a bounty in some years do not get it in other years. Their application is sometimes refused, and men who have had the bounty for a number of years find themselves left without it. I have several cases of this kind in mind, which I intend to bring more particularly to the attention of the department. But in the meantime I would be glad if the minister could give me any general explanation how it is that men who have received the bounty for years find themselves excluded for no apparent reason. They tell me that their practice is the same and they fish the same number of days, and yet no bounty cheques are sent.

Mr. PREFONTAINE. If my hon. friend will give me particulars of the cases to which he refers I will gladly investigate. From information I have received from my officials I am led to believe that very few complaints have been made lately. Of course, where there are so many cases to be dealt with there must be some who express dissatisfaction.

Mr. BELL. How do these cases occur, is it through clerical oversight ?

Mr. PREFONTAINE. No, I do not recall any cases of that kind. Sometimes there may be two parties claim. Sometimes the regulations are not fulfilled. All the cases are personally investigated. I repeat, if the hon. gentleman (Mr. Bell) has any special cases, it will be sufficient for him to leave them to the special officer in charge of this business, Mr. Kent, and that officer will try to do justice in the matter.

Mr. BELL. I intend to do that, but I thought there might be some general explanation of these cases given by the minister.

Mr. PREFONTAINE. There were so few complaints they were not brought to my notice except in special instances.

Mr. KAULBACH. I would remind the minister that I brought to the notice of the department a case which seemed to be a very important one. The master of the vessel had omitted to take the license, and, having taken his departure from the port he requested that the managing owner should make the application and get the license. The request was made only through the clerk in the fishing office of the manag-

ing owner, and the managing owner in consequence, did not know of the omission until a month or so had elapsed from the time the vessel took her departure from port. I recommended that to the department—I do not know that I had an interview with the minister himself—but nevertheless the bounty was not paid, and, in consequence the whole crew were deprived of their portion of the bounty. I hope the minister will carefully reconsider this matter and grant these people the bounty to which, I think, they are fairly entitled. They did not ignore their duty of making application ; it was purely an omission. When such occurs accidently, I think the minister should treat it as an exceptional case and meet the request of the parties.

Mr. FIELDING. I think we have had a very good day's work, and a very fruitful one. We are not likely to make much further progress. If this item is passed we can rise. But, if hon. gentlemen wish to debate it further we can do so.

Some resolutions reported.

ADJOURNMENT—BUSINESS OF THE HOUSE.

Hon. W. S. FIELDING (Minister of Finance) moved the adjournment of the House.

Mr. T. S. SPROULE. Of course, Monday is a private members' day. But if the business standing on the order paper in the name of private members is exhausted what government business, if any, will be taken up ?

Mr. FIELDING. If the order of private members' business is exhausted we shall proceed with Supply, beginning at the point at which we have just left off, unless the Minister of Marine and Fisheries is not here in time. But, in that case, the Postmaster General will take up his estimates.

Motion agreed to, and House adjourned at 11.05 p.m.

HOUSE OF COMMONS.

MONDAY, June 20, 1904.

The SPEAKER took the Chair at Three o'clock.

FIRST READING.

Bill (No. 140) respecting the Alliance Bank of Canada.—Mr. Russell.

QUESTIONS.

IMMIGRATION—FRAUDULENT AGENTS.

Mr. RALPH SMITH asked :

1. Is the government aware that certain individuals in Great Britain are engaged in making fraudulent representations to intending emigrants to Canada by holding themselves out as agents of the Canadian government, guaranteeing positions, and otherwise being guilty of fraud ?

2. If so, what action, if any, does the government intend to take for the suppression of these frauds and the punishment of the offenders ?

Hon. CLIFFORD SIFTON (Minister of the Interior) :

1. The government is aware that certain individuals in Great Britain are engaged in making fraudulent representations to intending emigrants to Canada by guaranteeing positions and otherwise, but it is not aware that these individuals hold themselves out as agents of the Canadian government, excepting from general reports to the effect that in some cases these persons have represented themselves as agents of the government.

2. In order that the offices of these individuals may not be mistaken for government offices the department has made public announcements in Great Britain that the individuals in question are in no way connected with the government of Canada, and has instructed that notices be posted, especially in the London office, to this effect.

In addition to this, the attention of the imperial government has been drawn to these frauds with the view of suppressing them and punishing the offenders.

The following advertisement is also being inserted in leading newspapers of the United Kingdom :

> The government of the Dominion of Canada, having been informed that certain persons conducting labour agencies in London and elsewhere in the United Kingdom, have been promoting the emigration to Canada of mechanics and other skilled workmen, have been giving false information respecting labour conditions in Canada and have represented themselves as agents of or as having the sanction and endorsement of the Dominion government. Notice is hereby given that the Dominion government has no such agents in the United Kingdom, has not authorized, sanctioned or in any way given its approval to any agency in the United Kingdom for promoting the emigration to Canada of mechanics or other skilled labour. James A. Smart, Deputy Minister of the Interior of Canada.

The Department of the Interior is advised that this advertisement is appearing in the London 'Telegraph, the London 'Chronicle,' the London 'Mail,' London 'Express,' London 'Leader,' London 'Star,' London 'Sun,' London 'Echo' and the London 'Evening News' ; the Manchester 'Guardian' and the Manchester 'Evening News' ; the Birmingham 'Post' and the Birmingham 'Mail'; the Liverpool 'Post' and the Liverpool 'Echo' ; the Glasgow 'Herald' and the Glasgow 'Record' ; the Edinburgh 'Scotsman' and the Edinburgh 'Evening Despatch' ; the Newcastle 'Chronicle' and

the Newcastle 'Evening Chronicle'; the Cardiff, South Wales, 'Echo' and the Cardiff 'Western Mail'; the Bristol 'Western Press' and the Bristol 'Evening News'; the Belfast 'Northern Whig' and the Belfast 'Evening Telegraph'; the Dublin 'Irish Times' and the Dublin 'Freeman's Journal.' The Press Association has also circulated the notice.

GOVERNOR GENERAL'S BODY GUARD.

Mr. SAM. HUGHES—by Mr. Lancaster—asked:

1. What is the reason that Major William Hamilton Merritt has not been gazetted to the command of the Governor General's Body Guard of Canada?
2. Did Lieutenant-Colonel C. A. K. Dennison's period of command expire by effluxion of time in June, 1903?
3. Did he at the same time send in his resignation?

Hon. Sir FREDERICK BORDEN (Minister of Militia and Defence):

1. Major W. H. Merritt has been gazetted to the command of the Governor General's Body Guard, from 11th June, 1903. See 'Gazette' of 27th May, 1904.
2. Yes.
3. No.

CHAMBLY CANAL—STONE CONTRACT.

Mr. MONK asked:

1. Has the contract for the different kinds of stone required for the Chambly canal during the present year been granted?
2. If so, to whom, and what are the prices accorded for each quality?
3. Did the government receive more than one tender?
4. If so, what are the names of the tenderers and the amount of each tender?
5. Was the contract in question accorded to the lowest tenderer?

Hon. H. R. EMMERSON (Minister of Rail-Ways and Canals):

1. A contract for crushed stone for the present year has been granted.
2. To J. E. Hébert, St. Johns, Quebec, at $2.45.
3. Yes.
4. J. E. Hébert, St. Johns, Quebec, at $2.45; N. Mailloux, St. Johns, Quebec, at $2.50.
5. Yes.

SECOND READINGS.

Bill (No. 136) respecting the Similkameen and Keremeos Railway Company.—Mr. Morrison.

Bill (No. 137) respecting certain patents of the Canadian Office and School Furniture Company, Limited.—Mr. Clare.

Bill (No. 138) for the relief of Andrew William Mann.—Mr. Macdonald.

Bill (No. 139) for the relief of Jennie Davison Moore.—Mr. Macdonald.

THE PREFERENTIAL TARIFF.

Mr. HANCE J. LOGAN moved:

That in the opinion of this House, the preferential tariff should only apply to importations through Canadian seaports.

He said: Mr. Speaker, this notice of motion has been standing in my name on the order paper for some weeks, and I have been in hopes that the government might adopt the policy which is enunciated in it, but now that the budget has been brought down my hopes are disappointed in that regard. I cannot hope therefore to have the policy adopted during the present session; but, believing as I do that it is in the best interests of Canada that this policy should be adopted at another session of parliament, I crave the indulgence of the House for a few moments while I give my humble views as to why this policy should be adopted in Canada.

Some one may ask: Where is the demand for such legislation from any public body? There have been many resolutions passed by boards of trade and other bodies, and one I believe by a provincial legislature, asking that such legislation be enacted. I have in my hand a resolution passed unanimously by the Halifax Board of Trade as far back as February 25, 1901. That resolution was communicated by telegraph to the Hon. W. S. Fielding, as follows:

Resolved that this council cordially endorses the suggestion of a member of the Canadian Manufacturers' Association, which provides that the customs rebate of thirty-three and one third per cent on goods manufactured in Great Britain be allowed only when said goods are landed at Canadian ports, and pledges itself to use every means in its power to urge the adoption of the measure by the government.

In the month of August, 1901, a conference of the boards of trade of the maritime provinces, held at Chatham, N.B., passed the following resolution:

Resolved, that in the opinion of this board the preferential customs tariff as applied to imports from Great Britain should only apply to goods imported directly through Canadian ports.

At a conference of all the Canadian boards of trade, held at Toronto in June, 1902, this matter was very thoroughly discussed. A resolution favouring it was moved by a gentleman from St. John. After a considerable amount of discussion, the resolution was amended on motion of Mr. Munro, of Montreal, and the following resolution was passed unanimously:

In order to encourage the importation of British goods via Canadian ports, this conference desires that the preferential rebate on goods imported from Great Britain arriving by United States ports shall be limited to 25 per cent.

Many able arguments were made at that conference on behalf of the original reso-

lution. If you will allow me, I will quote from a speech delivered by Mr. Gaskin, of Kingston. He said :

I was more than surprised when I heard that the Dominion government made a preferential tariff on goods coming from England and did not stipulate they should come through Canadian ports. I remember, a number of years ago, that Canadian boats were allowed to carry grain from Chicago and Milwaukee to Port Colborne. That grain went over the Welland road to Port Dalhousie ; it was taken by Canadian boat from Port Dalhousie and brought to Oswego. The Americans tried to stop that, and they have stopped everything since that was of benefit to our Canadian boats. I remember a number of years ago when I was captain of a steamer, just after the American war, I went into the port of Cleveland to report at the custom house, and they presented me with a bill of $140 or $150, and what do you suppose that was for ? For a war tax in the United States. That is the treatment we have been receiving from a Canadian standpoint, and I do certainly say the government made a great mistake in allowing that preferential tariff to apply to merchandise coming through the United States.

I will also quote from a speech delivered by Mr. George E. Drummond, who afterwards became, and now is, the president of the Canadian Manufacturers' Association. Mr. Drummond said :

It is a shame that we should permit our exports from Canada, from the west and from the centre of Canada, to go out via American ports if we can send them by Canadian ports. There is no question, as Mr. Gaskin said, that if you can fill these boats both ways that will mean cheaper freight rates for the men of the west, and that our railways will meet us in a generous spirit I am perfectly confident, if the volume of trade will permit of it. For that reason I propose to support this motion. My friend from Windsor has spoken of what the Americans might do. I tell you that when the Americans meet in such a conference as this, they do not care very much what Canadians are going to do. They believe in themselves. We in this country have never had confidence in ourselves ; our banks would not be laden down with $250,000,000 earning three per cent if our people had confidence enough to develop Canadian transportation and develop Canadian mines.

Mr. D. R. Wilkie, of Toronto, spoke as follows :

We have granted this privilege of preferential tariff in favour of British goods, and it was said at the time that we did this we would suffer for it, the Americans would retaliate. What have they done ? 'You are really getting on to our game, you are finding us out.'' I know leading protectionists of the United States, and they told me plainly, 'You do not know how to manage your own affairs, do not be afraid of us. Our whole policy is not dictated by a desire to injure Canada. We have our own business to look after, and you are only a small factor in the matter. We are not doing this to injure you, we are doing it to benefit ourselves.' Let us think the same way, let us benefit ourselves. As to the argument of Mr. Saunders, that he was forced to export his goods by way of Boston or New York, what does that mean? It means that owing to our allowing this preference on British goods coming through Boston and New York, instead of limiting it to goods that come only through Halifax, St. John, Quebec and Montreal, he was forced to send his goods to Boston and New York. But force them to bring our goods through Canadian ports and you will have cheaper freight rates for Canadian produce from your own ports. I do not think we should give way in this matter. Retaliation is a barbarous word, and it is not followed out except we want to injure, and we are not going to injure the United States, and as long as we are going to benefit ourselves, we should consider ourselves.

I will not weary the House by reading any further from that report. Shipping is certainly one of the greatest industries of any country, and to encourage the shipping industry is to encourage the building up of the nation. To build up a nation it is important to make it a maritime nation ; and in order to do that, we should assist in building up maritime ports. In this country we are doing a great deal for the west. As a representative from the east, I am willing that we should spend large sums of money in developing the west as the future granary of the world ; but we should not forget that there is an east as well as a west. It may be said that we are selfish in asking this. I claim that we are not selfish. This is a broad national question, and the people of the west should be willing to assist us in bringing goods to the maritime ports and building up Canada as a whole.

Now, what are the objections to this proposition ? The first is that it would increase freight rates. At the present time the freight rates from Great Britain to Winnipeg are the same via St. John as they are via New York, Boston or Portland. I do not see any reason why they should be increased. It is said that if we gave the freight to Canadian lines, they would increase the freight rates. That is not saying much for their patriotism, but if they showed a disposition to do so, we could hold this over them as a lever, to see that they did not. I am sure that with the number of lines running between Canada and Great Britain, there would be sufficient competition to keep the freight rates down to a reasonable level. At the present time, one of the great difficulties of Canadian shipping lines is that they do not receive a return cargo. Last year we sent $131,000,000 worth of goods to Great Britain, and of that amount we sent over $41,000,000 through United States ports, while our ships were going from Canadian ports half laden to British ports. This is not Canadianism ; it is not a national spirit ; and if we can do anything to encourage a Canadian, national spirit in this country, we should do so, and do so at the earliest opportunity.

It is said that we have not facilities at Canadian ports. We shall never have those facilities unless we encourage Canadian ports to provide them ; and it is the duty of this government to assist them to provide facilities for shipping goods inwards or outwards. The argument has been used that we have not the facilities. I have here a letter from a member of the great pioneer steamship line of Canada, Mr. Andrew Allan. In a letter I had written to Mr. Allen I stated it was claimed that more rapid transit could be secured via New York than by the St. Lawrence route, and Mr. Allan in reply says :

I maintain that as far as our Liverpool steamers are concerned, we are now in a position to deliver traffic to Canadian houses as rapidly by our routes as can be done by any United States port.

Mr. Allan should be in a position to speak on this matter.

A further objection to this legislation which has been raised is that by it we may offend the United States, that the legislation is too drastic as against the United States. I do not admit that Mr. Speaker, and even if the legislation is drastic as against the United States it would be only adopting the United States policy. The historic policy of the United States has been along these lines. If Great Britain had adopted the policy adopted by the United States as far as coasting law is concerned, she would have paralysed the shipping industries of that country years ago. For the past one hundred years the United States has extended its navigation laws to all its outlying possessions. As early as 1817, under President Madison, Congress first provided that commerce between the territories and possessions of the United States should be regarded as coastwise and confined to vessels built in the United States, officered by the United States citizens and flying the United States flag. This policy has been continued from that time down to the present day. Whenever territories are annexed to the United States suitable legislation has extended this policy to embrace within the provisions of the coasting laws, trade with the newly acquired territories. In 1868 the navigation laws as to transportation of merchandise were extended to Alaska. In an Act approved of April 12, 1900, dealing with Porto Rico, it is provided in section 9 as follows :

That the commissioner of navigation shall make such regulations, subject to the approval of the Secretary of the Treasury, as he may deem expedient for the nationalization of all vessels owned by the inhabitants of Porto Rico on the eleventh day of April, eighteen hundred and ninety-nine, and which continued to be so owned up to the date of such nationalization, and for the admission of the same to all the benefits of the coasting trade of the United States ; and the coasting trade between Porto Rico and the United States shall be regulated in accordance with the provisions of law applicable to such trade between any two great coasting districts of the United States.

By an Act in reference to Hawaii approved April 30, 1900, it is provided :

That all vessels carrying Hawaiian registers on the twelfth day of August, eighteen hundred and ninety-eight, and which were owned bona fide by citizens of the United States, or the citizens of Hawaii, together with the following named vessels claiming Hawaiian register——

Naming the vessels.

—shall be entitled to be registered as American vessels, with the benefits and privileges appertaining thereto, and the coasting trade between the islands aforesaid and any other portion of the United States, shall be regulated in accordance with the provisions of law applicable to such trade between any two great coasting districts.

They have extended their coasting laws half way across the Pacific and taken in the Hawaiian Islands. Later on they secured possession of the Philippine islands, at the antipodes, many many thousand miles away, and in spite of the fact that their tariff law is as stringent against the Philippine islands as against any other country except for a preference of 25 per cent, and in spite of the fact that they require the Philippine islanders to sell them hemp without the tax of $7.50 a ton, which is charged upon hemp sent to Canada, they have extended the coasting laws of the United States half way around the world to embrace the Philippines. Are we then to be told in Canada that we cannot adopt a policy to encourage Canadian ports and the shipment of Canadian goods by Canadian lines for fear of offending the United States of America ? Let me read the Act in reference to the Philippine islands, and I will ask members of the House to pay particular attention to section 2. It is Bill No. S 2259, United States Congress, and is as follows :

Be it enacted that on and after July 1st, 1905, no merchandise except supplies for army and navy shall be transported by sea under penalty of forfeiture thereof, between ports of the United States and ports or places in the Philippine archipelago directly or via a foreign port or for any part of the voyage in any other vessel than a vessel of the United States.

On section 2.

That on and after July 1st, 1905, no foreign vessel shall transport passengers between ports of the United States and ports or places in the Philippine archipelago either directly or by way of a foreign port under a penalty of $200 for each passenger so transported and landed,

In other words, if a Canadian vessel should carry any passengers or freight from a port in the United tSates, to the Philippine islands, one of the possessions of the United States, that freight would be liable to for-

feiture, and the boat to a fine of $200 for each passenger carried.

By the Cuban customs regulations, 1901, it is provided: that coastwise trade can only be exercised by Cuban vessels or those of the United States, so far as it relates to the transportation of merchandise.

That, Sir, is the legislation of the United States of America. The United States of America have built themselves up largely because they believe in themselves, are proud of their country and dare to legislate for their country irrespective of what other countries think or do.

We have to a somewhat limited extent adopted this policy of giving a preference to Canadian seaports. In item 608 of the tariff tea and ground coffee imported direct from the place of production, and tea and ground coffee purchased in bond in the United Kingdom are admitted free, otherwise a duty of 10 per cent is charged upon them. In item 87 of the tariff, salt from the United Kingdom or any British possession is admitted free, otherwise there is a duty varying from 5 to 7½ cents per 100 pounds. In the treaty with France we provide that the goods must be transported direct from France to Canada and not by way of any other country. To that extent we have adopted this policy. It is legislation it seems to me, along the right lines, legislation along Canadian lines, to build up Canada, to build up Canadian seaports. We have gone a long distance towards giving a preference to the motherland; let us in giving a preference to the motherland, give a preference to the ports of the Dominion of Canada and let us while we say 'Canada for the Canadians' adopt the policy of 'Canadian seaports for Canadian imports.'

Hon. W. S. FIELDING (Minister of Finance(. I am glad my hon. friend from Cumberland (Mr. Logan) has to-day brought forward this motion of which he gave notice some time ago, not that I expect that it can be adopted immediately as part of the budget of this year,—and I do not suppose my hon. friend (Mr. Logan) now expects that,—but I feel that it is a subject on which discussion may do much good. It is a subject on which there is need of education, not only outside of the House, but, possibly inside the House. I am aware that possibly, from some points of view, objections may be raised to the motion of my hon. friend. But, for my own part I am heartily in favour of it, and, if he decides to divide the House upon it, I shall have pleasure in giving my vote in support of the motion. For the purposes of the present budget and the present condition of affairs we cannot deal with it. But I hope there will be such an educational movement on the question that, at no distant day, we may adopt it as part of our practical legislation. If that can be done at no distant day no one will rejoice more than I shall.

I think that the reasons my hon. friend has given in support of his motion are strong, and I believe that the more the subject is discussed, the more likely we are to reach the conclusion that he has reached after so much consideration. So, while I do not say that his motion will receive the assent of the House, to take effect at once, it is a move in the right direction. Even if it is not received with unanimous approval, as I would desire to see it received, I trust that the time will soon come when we may accept it as part of a thoroughly national policy. But it is certainly a subject upon which discussion is desirable and education is necessary. I congratulate my hon. friend upon having given it the attention he has, and I repeat that, if it is necessary for his purpose to divide the House upon it, I will cordially vote in support of the motion.

Mr. T. S. SPROULE (East Grey). It is certainly cheering to see the Minister of Finance condemning himself and his government—for that is what his speech amounted to. He and his colleagues have had, and now have, power in their hands to carry out the spirit of this motion, and yet they have failed to do it. He admits the injustice done to Canada, and declares that he knows that wrong is done, but only says that if the House will give its sanction he does not know but that he will deal with it in the future. But, though they have had it in their power to do justice in Canada they have refrained from doing it. What their reason may be is not known to us—it is for those hon. gentlemen to explain. And it seems to me that the hon. member (Mr. Logan) who moved this motion is also worthy of censure. He has had this notice of motion on the paper for weeks. What would naturally be his object in putting it on the paper but to bring the attention of the government and of this House to the need of the change he proposes, with a view to having the government deal with it in connection with the tariff? Had it been brought forward in time, and a favourable expression of opinion from the House secured, the Finance Minister might fairly have been expected to take note of it and act upon it when he brought down his budget. But the hon. gentleman, though putting a notice upon the paper seems to have allowed the time to pass, and did not bring it forward until now after the budget speech has been delivered. And then the minister congratulates him on what he has done and declares that if the hon. gentleman presses his motion to a division he will vote for it. That is a wonderful admission on the part of the government, and a most amusing one. I am glad to notice that at last, though late, there are some members on that side who are not prevented from expressing

their views on this question by fear of offending the United States. This everlasting cringing to the United States that we have had exemplified by members of the Reform Party during the whole time that I have been in this House, now twenty-six years, has been humiliating to every Canadian, and, if possible, more humiliating to representatives of Canada in this House. When any matter of a similar nature to this was brought before the House and it was recommended that we should take practical steps, what was generally the answer from the other side? These hon. gentlemen told us not to exasperate the Americans or the Americans would retaliate. For twenty years we were told that by the hon. member for North Norfolk (Mr. Charlton) in regard to our proposal to prevent the Americans taking away our logs, but to compel them to manufacture them into lumber on this side. That hon. gentleman (Mr. Charlton) told us that the Americans would retaliate, that they would double the lumber duties, that they would prevent us from marketing our lumber—in fact that they would destroy us if we attempted to stand up for our own interest. And we have the hon. member for South Oxford (Sir Richard Cartwright) declaring that the whole trend of the Conservative policy was to keep the Americans in a state of annoyance and so prevent us from securing a reciprocity treaty. And we were assured that the sunny ways of the First Minister (Sir Wilfrid Laurier) when brought to bear upon the obdurate hearts of the Americans, would cause them to see the selfishness of their ways and amend. And that right hon. gentleman (Sir Wilfrid Laurier) signalized his entrance into office by the declaration that, to soften the hearts of the Americans and secure a reciprocity treaty, he was willing to give away all our fishing privileges on the Atlantic. But there was a sudden and unexpected howl from the maritime provinces, and we have heard nothing more of the right hon. gentleman's proposal since then. But he did everything possible to please the Americans; the commission went into Washington to soften their hearts and bring them to a sense of their duty. But it was found to be labour in vain, like washing a nigger to make him white. At last we have come to the conclusion that it is better to look after ourselves. I often asked myself when we might hope the hon. gentlemen opposite would reach that conclusion, and they seem to have awakened to the truth at last. What are hon. gentlemen sent here for? Not to legislate for the United States, but to legislate for Canada.

I am glad that one member on that side has at last found courage to declare that he is in favour of looking after the interest of Canada in this matter. It would be amusing, if it were not humiliating, to hear the answer of the Minister of Finance. That hon. gentleman says he will vote for the motion. He will vote in favour of doing a thing that he could have done by legislation long ago. The people will understand that, and they will judge of the hon. gentleman's sincerity.

Hon. WM. ROSS (Victoria). The hon. gentleman (Mr. Sproule) who has just resumed his seat has always a way of his own in a debate of this kind. In his speech he did not refer to the advantage that would accrue to Canada from the adoption of the policy enunciated in this resolution.

Mr. SPROULE. I took it for granted that no member of parliament was so wanting in common sense that he would for a moment doubt the advantage of it.

Mr. WM. ROSS (Victoria). I am glad that the Minister of Finance (Mr. Fielding) is in favour of this resolution. The objections to it that he raises might be removed by passing a Bill only to take effect from a certain time. We have the Intercolonial to St. John, and also from Montreal to Halifax, and we have in prospect, at no distant day, that great railway that is going to run from ocean to ocean. And we expect that in the winter season the trade of China and Japan to Britain and other European ports will go over that line, and that the trade from Great Britain and the continent of Europe to Oriental countries will also pass over it. But that is a question that we may leave to the future. We can be in favour of building up our own ports, the ports of Quebec and Montreal in summer and of Halifax and St. John in winter; and I think we should all agree as one man to support this resolution, to take effect at some time that would not be detrimental to the present budget or its operation in any way. I am certainly in favour of this resolution, and I hope that some good will come out of it at no distant date.

Mr. C. B. HEYD (South Brant). It appears to me that this matter is of too much importance to be relegated to any single private individual of the House. When you begin by law to say that nothing shall be imported into Canada from Great Britain except it comes through Canadian ports, it is too violent an interference with traffic to meet with my approval on so sudden a presentation of the case. I think the people who have their money invested in steamships and railways and who are prepared to bring goods and deliver them in Canada at the cheapest price, are entitled to some consideration, and so are the consumers of this country. If we by law force all dutiable goods from Great Britain to come by Canadian ships and through Canadian ports,

it will unquestionably have the effect of increasing the value of those goods to the consumers. I say it is a matter of too much importance to be considered so hastily, and I assume that before a change of such magnitude is made it will be brought in by the government itself.

Mr. W. R. BROCK (Centre Toronto). I had hoped to get through with this session, Mr. Speaker, without your having to hear my voice, but we have had such an exhibition of insincerity on the part of hon. gentlemen on the other side of the House that I cannot keep silent any longer. When the Finance Minister was advocating the building of a railroad from the Northwest down to the sea-board he assured gentlemen on this side of the House that the patriotism of Canadians would lead them to send their goods to Canadian ports in preference to American ports. The present exhibition will confirm the opinion that there is no sincerity whatever in any of the motions brought up by gentlemen on that side of the House. I can tell the hon. gentleman who has just taken his seat (Mr. Logan) that many merchants bring all their goods to this country through Canadian ports, and do not allow their goods to come through United States ports so far as they can help it. The hon. member for Brant (Mr. Heyd) says the effect of this resolution will be to make goods dearer. All I can say is that I bring all the goods I can to this country through Canadian ports, and I manage to compete with other people pretty well.

Mr. HEYD. I did not say it made them dearer, but it would make them dearer if they were compelled by law to come through Canadian ports.

Mr. BROCK. I am sure the Finance Minister will give me credit for patriotism, not that I think it makes much difference, but because the Finance Minister has insisted that the farmers of the Northwest will be induced by patriotism to bill their grain to Canadian ports.

Mr. FIELDING. Where the rates are equal. That is not a very strong call on their patriotism.

Mr. BROCK. I think the hon. minister will require to hedge a good deal before he gets through. But I just wished to draw the attention of the House to this most remarkable exhibition. I think the country will see it and I know this House will see it—that there is no sincerity on the other side of the House. This notice has been long enough on the order paper to allow the Finance Minister to take note of it and to have made it a part of his budget speech; but it has been put off now so that the hon. member for Cumberland (Mr. Logan) who certainly deserves a certain amount of credit for it, might get the credit of bringing it up himself. I would like to see him take hold of it with the same energy that he manifested with regard to the building of the Grand Trunk Pacific to Moncton. In that case he forced the government at the point of the bayonet to fall in with his wishes; why should he not now be just as sincere in favour of Halifax and St. John as he was in favour of Moncton? Simply because he wanted, I suppose, to make a little political capital out of it. But if he is going to make political capital out of anything of that kind, there must be a little more sincerity than there is in this present motion.

Mr. JOHN W. DANIEL (St. John city). shortly after the opening of this session, I noticed that this resolution was placed upon the order paper, and I have been patiently waiting for the hon. member to move it, because I understood that no one else could bring in a motion on the same line until this one had been disposed of. I must say that I agree with the hon. gentleman who has moved it, and I regret that it has been kept back until after the budget speech was delivered. I understood from the remarks of the Finance Minister that in case this resolution was carried by a majority of the members of the House he was prepared to introduce legislation to carry it out. Am I mistaken in my understanding?

Mr. FIELDING. I did not say that. I said it was a matter that needed to be discussed before any action was taken. I said if it was proposed to put the scheme into operation at once I could not support it, but I would support it if it were proposed to bring it into effect at an early date. I did not say anything with regard to legislation at this session.

Mr. DANIEL. Is the minister prepared now to say whether, in case this resolution is passed by a majority of this House, he will introduce legislation to give it effect?

Mr. FIELDING. We will consider that when it comes.

Mr. DANIEL. I congratulate the hon. member for Cumberland (Mr. Logan) on the manner in which he has brought forward arguments in favour of this resolution. So far as the city I represent is concerned, I feel it would be a very great advantage indeed to the port of St. John if this resolution were adopted and carried into effect by legislation. During last year, the exports from the port of St. John, totalled $15,364,735, while the imports only amounted to $5,658,281. Some mention has been made of the rates at which freight is carried both by land and sea. I would like to state, Mr. Speaker, that a reduction of the rates over

the ocean can only be effected by having full cargoes both ways. In the winter, steamers got out from St. John with full cargoes but they come back with very small cargoes. That trouble is gradually lessening, but at the same time the business is still too one-sided. In order to have a lower freight rate, which would at the same time be a paying rate, for steamers as well as for railways, there must be cargoes both ways. We have heard complaints from time to time that the Intercolonial has not been paying, and there have also been complaints that the Canadian Pacific Railway has not been doing a paying business from the port of St. John. If this resolution were carried into effect, there is no doubt in the world that the increase of business would be so great, both for the Intercolonial and the Canadian Pacific Railway, and their connections in the maritime provinces, that the era of deficits, at least so far as the Intercolonial is concerned, would be brought to a speedy close.

The hon. member for Cumberland has spoken of the views which Canadians generally should entertain in regard to building up of all the ports of Canada. We are all interested, apart from where we may happen to live, in this matter because the success of one part of Canada tends to increase the success of the whole. There is no doubt that the St. Lawrence ports of Montreal and Quebec are equally interested in the successful carrying out of this proposition with the ports on the Atlantic sea-board. Its advantages are not altogether confined to the ports of Halifax and St. John. There are other fine ports which, as business comes to them, will increase and the carrying out of this proposition will be a decided advantage to the sections of the country interested in these ports. I do not think there is any argument in regard to the possibility of offending the United States. As a matter of fact at the present time we are treating the United States in a far more friendly way than they are treating us. We are taking from them a much greater proportion of imports than we are exporting to the United States. We have kept our tariff low against the United States while their tariff is high against us. So that, without any further remarks, I hope that the hon. gentleman who has introduced this resolution will ask for a division of the House upon it so that we can see what the sentiment of hon. members of this House in connection with this very important matter is. Then, I hope if the reply is favourable that the hon. Minister of Finance, who has expressed himself so much in favour of this idea, will take steps to have the resolution crystallized into law.

Mr. A. A. WRIGHT (South Renfrew). Mr. Speaker, before this debate comes to a close I just wish to say a word or two upon this subject. It seems to me that this is rather a drastic measure, because you are undertaking to say to the merchant how he shall ship his goods whether they be going outward or inward. The merchant has difficulties enough to contend with without having to surmount such a difficulty as that. When we have given a preference to goods coming from Great Britain I would not like to see that limited in any way whatever. Let me give an illustration of how this works on outward bound goods and it will apply equally well to goods coming into this country. In our section of the country we buy large quantities of pease and rye. We get just as large a quantity of these goods into our warehouses to ship before the close of navigation as we can. The moment navigation closes, down goes the price of grain two cents a bushel as a general thing. A few years ago when we were buying pease and rye the price dropped as usual at the close of navigation. Within a fortnight after the close of navigation arrangements were made so that we could ship our grain by rail to Boston and ship it from that port. We got a lower rate than we ever got before. The consequence was that we increased the price that we were paying to our farmers by two cents a bushel and we gave them the same price that they were getting before navigation closed. If a law had been passed obliging us to export our goods by Canadian ports the farmers would have lost two cents a bushel on every bushel of pease and rye that we purchased after the close of navigation. I wish to draw the attention of the House to this, and I also desire to point out, that this is a matter that will work both ways. It applies to exports and it implies to imports. I would like to consider this proposition very carefully before supporting it. I go for taking the shackles off trade and relieving trade just as far as you can from any of its difficulties because I believe that the freer we are in our intercourse, the better it will be for us. Something has been said about the way the United States treats us and the way we treat the United States. How did we treat the United States last year when they took the duty off coal ? Did we do the same thing ? We kept it on; they took it off. I have nothing further to say at the present time.

Mr. GEO. W. FOWLER (King's, N.B.). Mr. Speaker, we find in the ranks of the government party that there is still one free trader. I doubt if there is another one.

Mr. SPROULE. The hon. member for Victoria, N.S. (Mr. Ross).

Mr. FOWLER. I question very much about that hon. gentleman. I think that his party fealty is too strong. But, we have one hon. gentleman who is a free trader.

He does not seem to realize just what this debate is about. He talks about the importation of pease and rye in connection with the preferential tariff. However, it is not a very unusual thing to find a Liberal member of parliament not knowing very much about the subject of the debate. I was very much surprised that the hon. minister of Finance (Mr. Fielding) did not give us some reason he was so much in favour of this resolution which we are discussing and why he did not include this in his budget when he brought it down to this House. The hon. gentleman has expressed himself as very strongly in favour of this proposition, he is prepared to vote for it, but he gave us no reasons why he was not in favour of it when he brought down his budget proposals to this House? Why is it? What is the explanation of this sudden conversion? Has the light suddenly burst upon the hon. gentleman's mind? Has he only been converted since hearing the speech of the hon. member for Cumberland which was a very good speech although there was nothing in it in the way of inspiration? Is it only since he heard the speech of the hon. member for Cumberland that he has become so strongly in favour of the proposition contained in this resolution? It seems to me that if the hon. gentleman had not been trying to commit a patent fraud—I use the word not in its offensive sense—upon the country he would have given us some reason why he was compelled to forego the carrying out of the desire of his heart, some reason which prevented him from bringing in this proposal in his budget speech. Now, Sir, for my part I would like to hear some reasons given why this proposition should not be adopted by this parliament. I think the reasons given by the hon. member for Brant (Mr. Heyd) and for South Renfrew (Mr. Wright) why this proposition should not be adopted were not such as to commend themselves to this House. This it seems to me would be a simple matter of justice to the ports of this country applying more particularly as it does to the Atlantic ports. If the necessary facilities are not to be found at these ports now for the proper handling of this trade the government which has so much money to spend, which has so many millions to fritter away in little works where they are of no use to the general public might spend some of these millions to provide the ports of Halifax, St. John, Montreal and Quebec with the necessary facilities for handling this trade, and if it does it will be doing more for the benefit of the country than by giving away this money to the Grand Trunk Pacific Railway Company. That is the view which I have taken of this question and I say that we in the maritime provinces who have made very great sacrifices for the benefit of Canada are entitled to some return and if the hon. Minister of Finance had at heart the welfare of the maritime province from which he comes he would do more than express his opinion as to this proposition; he would crystallize this resolution into such legislation as would bring about the end desired.

Mr. FOWLER.

Right Hon. Sir WILFRID LAURIER (Prime Minister). My hon. friend from Grey (Mr. Sproule) has failed this time, as he has failed at other times, to rightly appreciate the sense of the remarks of my hon. friend the Minister of Finance (Mr. Fielding) and the attitude of the government upon this question. I am not at all surprised at this and I do not think he himself is surprised; I am afraid it is a constitutional defect with him. He saw at once the shadow of the United States falling on the path of this question. That is not where the difficulty lies.

Mr. SPROULE. I was only referring to the argument of the hon. member (Mr. Logan) that we should not refrain from doing this for fear of the United States. That is an argument which should not be used in this House.

Sir WILFRID LAURIER. Well we have tried sunny ways with the United States and we have failed, and we have adopted another method which has not been appreciated by gentlemen on the other side. The moment we found that our efforts for friendly trade relations with our neighbours did not materialize, and that our sunny ways had no effect on them, we thought we would try another policy, and we resolved among other things to build a transcontinental railway which would have the effect of increasing our trade to and from Great Britain over Canadian routes. Upon the general principle of this resolution there cannot be any difference of opinion. Even my hon. friend from Renfrew (Mr. Wright) does not dissent from the proposition involved in the motion, and the argument which he adduced simply was, that until we had more accommodation for shipping in our ports we had to use Boston and other American ports. In my judgment at all events, the way to have better facilities and accommodation in our own harbours, is to turn as far as possible all our trade to these harbours. But there is another side to this question, and it is one which my hon. friend (Mr. Sproule) does not appreciate. The hon. gentleman does not appreciate that this is a business government—

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. The hon. gentleman does not appreciate that we look before we leap, and that we try to ascertain where we will land before we attempt to jump. There is no doubt whatever that at present the trade of Canada is every day running more and more into Canadian channels. The importations via the United

States are less this year, and my information is that they are constantly decreasing all the time. The wholesale merchants bring almost all their importations to Canadian harbours, and according to the statistics of this year out of our total importation from Great Britain only a little over 30 per cent went to American ports. It was not so some few years ago. The day is not far distant, and my hon. friend from Toronto (Mr. Brock) remembers it, when more than half of all the imports into Canada came by American ports We have been able through several successive years to change this, and to cause more imports and more exports to go and come through Canada. My hon. friend from Toronto (Mr. Brock) knows perfectly well that while at present most of the wholesale houses import through Canadian harbours, I understand that the retail business in Toronto, and Montreal, and London and Hamilton, is still largely done through United States ports. The retail houses wish to have their orders filled in a hurry; they cable for their goods and they give instructions to send them by the cheapest—not by the cheapest, but by the quickest route—so that they may have them at the earliest opportunity. This is a circumstance which we have to look into. I think it is possible even in that case to force trade into Canadian channels. By giving due notice to importers of all classes, that they will get the British preference if they send their importations by way of Canada, we should, I think, accomplish that. But, if without giving notice of the policy which the government intend to pursue on this question, we at once adopt the suggestion of the hon. member for Grey (Mr. Sproule), there probably would be a greater deal of disturbance caused in certain lines of business. Far better is it that there should be no disturbance of that kind, and that such contemplated changes should be duly heralded so that all parties may take notice of it and act accordingly. Therefore, I think it is quite proper that this discussion should take place, and that all parties should understand that the government would be actuated and guided by it, as to what its future course should be.

Mr. R. L. BORDEN (Halifax). This is not the first we have heard of this proposal. Did not my hon. friend from Cumberland (Mr. Logan) give notice of it last year, and if I remember correctly the year before. At all events the matter was before the House last year, and although the discussion upon it was imminent on many occasions, it has not been brought forward until now. The right hon. the Prime Minister has treated us to some rather unusual statements. His Minister of Finance told us at once that he was absolutely in favour of this motion, and the Prime Minister says the government will be in favour of it at some future time, because it is a business government and must make inquiry. But the Minister of Finance being in favour of it at once, he therefore cannot be a business minister. Possibly, however, the Minister of Finance is in favour of the motion and in favour of not acting upon it. Perhaps in that way his position can be reconciled with that of the right hon. gentleman. Although this question has been before the House for years and although it is now brought before the government by one of its most prominent supporters from the maritime provinces, it is remarkable there has not been an opportunity long before this to make the inquiry to which the right hon. gentleman refers. My hon. friend the Minister of Finance is so impressed by the advantages of this motion, that he is ready to vote for it to-day, even if the House is divided, and even, I suppose if the Prime Minister votes against it. If the Finance Minister has been so much impressed with the advantages of this policy, it does seem a little remarkable that we have had the discussion postponed until this late date, and that the government have not yet made that inquiry which the Prime Minister says is necessary. One would think that a measure such as that proposed would not create any great disturbance of trade, and I certainly believe it would be very much in the interests of the maritime provinces. But I would be inclined to go a little further than my hon. friend from Cumberland (Mr. Logan). I do not see any reason why we should restrict the enactment to goods entered under the preferential tariff. If the principle is good, and the Minister of Finance says it is, why should we not simply provide that goods imported through Canadian ports whether under the preferential tariff or otherwise, should have more favourable treatment, so far as our customs tariff is concerned than if they came through United States ports. That would be dealing with the matter from a general standpoint, and would not be restricting the operation of the proposal to a certain class of imports. If it is advisable to make this discrimination with regard to goods imported from Great Britain, why should we not make exactly the same discrimination in regard to goods imported from Germany, or from France, or from Belguim, or any other country? If the principle is good, and the Minister of Finance thinks it is, so far as British trade is concerned, why is it not equally good so far as trade from other countries beyond the sea is concerned? The same object is to be achieved, viz.: the building up of our Canadian ports by bringing importations to this country through them. I would think that the motion should not stop short of that point.

I submit further for the consideration of the government that if they really do in-

tend to deal with this subject, and not simply to allow this motion to pass as a mere matter of form, the government would simply have one of two alternatives; either to carry out the declared will of parliament or to resign. It will only take about four words in the tariff Act to carry out what my hon. friend (Mr. Logan) suggests and it can be done in five minutes by any ordinary draughtsman. I do not understand that this is a matter upon which the government is not to have a policy ; I do not understand that this is a matter upon which the Finance Minister can vote one way and the Prime Minister another, and that the cabinet can leave the matter absolutely free to be dealt with, or not to be dealt with at all. If this House declares in favour of the resolution of my hon. friend from Cumberland (Mr. Logan) or if my suggestion is carried out, the tariff ought to be amended at once, and it can be done by the insertion of two sentences in the Customs Act. I do not think this is a subject with which we should play by way of passing a motion, which may mean something or mean nothing. If the words of the Finance Minister mean anything, they mean that the chief financial exponent of the government is in favour of a policy that can be put into force in the simplest possible way during the present session. That is the position in which the matter presents itself to my mind.

My right hon. friend the Prime Minister says that the government has tried sunny ways with the United States, and it has failed. There can be no doubt about that. I do not know that they have tried any other ways up to the present time, because I observe that during the present year, at first they declined to extend the terms of an Order in Council permitting United States vessels to do the coasting trade between British Columbia and the Yukon, but at a later date, on the 29th March, they repented and United States vessels continue to do that trade, as they have done it during the last four or five years. Of course, I realize that there may be certain difficulties that present themselves to the government in connection with that trade.

One of the difficulties which the Prime Minister referred to—the difficulty in the retail trade of Canada—which might present itself if this policy were carried out, would probably not present itself at all if the government had been able to carry out the project of a fast Atlantic service ; because one reason why such a difficulty would occur is the lack of expeditious and cheap transportation from the mother country to Canada of such articles as would be imported by retail merchants, not articles imported in great bulk such as are brought into this country by wholesale merchants. It is very much to be regretted that the right hon. gentleman's government could not have seen fit to avoid meddling with the contract which was made by the government which preceded it. If this government had seen fit to carry out the arrangements then made, it is pretty certain that the fast Atlantic service would have been an accomplished fact long before this, and no such difficulty as that suggested by the Prime Minister this afternoon would have confronted us at this time. I agree fully with what my hon. friend from Cumberland has said as to the necessity of building up our maritime ports. When he informs us that more than $40,000,000 worth of our products went last year through American ports. I think he has placed before the House a very significant object lesson.

Mr. LOGAN. Will my hon. friend pardon me for a moment ? I think I have been misunderstood. The goods subject to the preference which were brought from England into Canada through American ports last year, amounted to nearly $15,000,000. The goods sent from Canada to Great Britain last year amounted to $131,202,098, of which $41,174,715 went through United States ports.

Mr. R. L. BORDEN. That is quite what I understood. I think that is a very significant object lession, and one which ought to make us doubly cautious, in carrying out any scheme of transportation in Canada, cautious that lest this be done in such a way as to maintain, or possibly increase, the ratio of the exportation of the products of Canada to Great Britain and to the continent of Europe by United States ports. I trust that this motion, if the government see fit to permit it to pass, will not be regarded as a mere idle form, but that the government will understand that the will of parliament has been expressed on this subject, and will proceed to carry out that will during the present session by making an amendment of a few words in the tariff.

Motion agreed to, on division.

Mr. R. L. BORDEN. When will the right hon. gentleman introduce the Bill ?

THE MONTREAL HARBOUR DEBT.

On the notice of motion—

For the production of the document mentioned by the honourable member for St. Mary's division, as reported in 'Hansard' for the present session, on page 2489, suggesting, among other things, that the Montreal harbour debt should be assumed by the federal government.—Mr. Kemp.

Sir WILFRID LAURIER. Stand.

Mr. JAS. CLANCY. I have been informed that there was an understanding that this matter having come up in the form of a question, and the request having been made that the hon. member for East To-

ronto should move for an order of the House, he was promised that the papers would be brought down. This is of course the last day for moving for papers, and I hope the right hon. gentleman will assent to this motion.

Sir WILFRID LAURIER. I would like to speak to the hon. member for East Toronto about it. I will give an opportunity to have his motion passed.

Mr. R. L. BORDEN. The hon. member for East Toronto mentioned the matter to me the other day, and I told him that it might possibly be a motion that would require to be discussed. He said he thought not, because he had asked the right hon. gentleman, and he had understood that there would be no objection to the adoption of the motion.

Sir WILFRID LAURIER. I think there will be no objection, but I would like to see the hon. member for East Toronto first.

Motion allowed to stand.

OFFICIAL OR PRIVATE CARS.

Mr. TOLTON moved :

For a return showing —

How many official or private cars have been constructed, purchased or acquired for the government since the year 1896. For what purpose each such car is purchased. Whether any and which of the said cars are allotted to any and what members of the government, respectively ; or to any and what departments of the government, respectively. What sum has been expended or appropriated in constructing, purchasing, or acquiring the said official or private cars since 1896. What amount has been expended in maintaining, using and operating the said official or private cars since 1896, including interest on cost of construction or acquisition. Whether such cars are always used for official purposes ; if not, for what purposes, and for what other occasions the official or private cars of the government have been otherwise used during the past four years ? For what purposes and on what occasions the official or private cars of the government have been used since the first day of January, 1900. And by whom each such car was used on each such occasion ; and at what cost, and to what place each such car was despatched ; and how many miles it travelled on each such occasion. How many official or private cars are now in course of construction for the government ; and the cost of each of them. Whether since the first of January, 1900, the official or private cars owned by the country have been used by others than ministers or officials of the government. And if so, the occasions, by whom, at what cost, for what purposes, and under what rules and regulations ? Whether any of the official or private cars have been used by the ministers or officials of the government, or by any other persons, for unofficial or private purposes, since the first of January, 1900. If so, by whom, on whose authority, under what regulations or arrangement, on how many occasions, and at what cost to the country, each car has been so used?

Sir WILFRID LAURIER. I suggest that the motion be amended by substituting the word '1880' for the words '1896 and 1900' wherever these words occur.

Amendment agreed to, and motion as amended agreed to.

MOTIONS AGREED TO WITHOUT DISCUSSION.

For copies of all correspondence between any department of the government of Manitoba and any department of the government of the Dominion, relating to the selection or survey of 256,000 acres of land, earned by the former Winnipeg and Hudson's Bay Railway Company, now the Canadian Northern Railway Company, and to which the government of the province of Manitoba is entitled.—Mr. Stewart.

For copies of all papers, documents, letters, correspondence, petitions and decisions of the Department of Railways and Canals in regard to the establishment and running of a passenger train on the Intercolonial between Campbellton and Causapscal, and between Campbellton and Ste. Flavie.—Mr. Casgrain.

For copies of (a) all reports, correspondence, statements, accounts and papers, relating to seizures of binder twine since the 1st of January, 1902, and to prosecutions in respect of the charges ; (b) the correspondence and papers between the several departments relating to all and every such seizure, and to the prosecution of the charges ; (c) all instructions given to any person or persons in relation to such seizures or prosecutions ; (d) the names, occupations and places of residence of all persons employed by or acting on behalf of the government in relation to each of such seizures, or to the prosecution of the charges ; (e) a statement of all expenses, charges or fees paid to or claimed by any person or persons, in connection with such seizures or prosecutions ; and the papers connected with such payments and claims.—Mr. Clancy.

For copies of all contracts for public works entered into by the government, which required the contractors to pay their workmen fair wages, in accordance with the fair-wage resolution agreed upon by parliament in the session of 1900 ; also the amounts of money covered by these contracts.—Mr. Ralph Smith.

For copies of all original monthly returns, reports, statements and other documents, received by or sent to the government, showing the money spent and the work performed on the breakwater at Port Morien, Cape Breton, up to the 31st of May, 1904 ; also all reports, returns, statements and documents, showing the names of the persons employed on the work in each month, and the number of days for which each man worked in each month during the aforesaid period.—Mr. Bell.

COMPANIES ACT AMENDMENT.

House again in committee on Bill (No. 75) to amend the Companies Act, 1902.—Mr. Cowan.

On the preamble.

Hon. CHAS. FITZPATRICK (Minister of Justice). When this Bill was before the committee a day or two ago, I suggested instead of clause 1, in the present form, to substitute two other clauses which I then read. At that time it was suggested by the hon. member for Hamilton (Mr. Barker) that these clauses might require some further consideration, and since that time I have received a memorandum which in his absence I may perhaps be permitted to read to the House. He suggested that the first clause as suggested seemed to be right, but the second clause which refers to Chapter 119 was wrong, he said that except as to companies formed before August 11, 1899, that section was repealed by 2 Ed. VII Chap. 15. He suggested that I should omit the words 'to prevent' in the amendment which I had proposed.

I have considered the objections made by my hon. friend from Hamilton (Mr. Barker) and I think that they are perfectly in order and that it would be proper to amend the Bill by substituting one section for the two now under consideration. My suggestion would be that instead of the two sections which I then proposed to substitute for the first section we should adopt the following :

To remove possible doubt it is hereby declared that the expression 'the construction and operation of railways or telegraph or telephones' in section 5 of the Companies Act, 1902, does not include acting as a contractor, in railway, telegraph or telephone construction, and 'the construction and working of railways' in section 3 of the Companies Act, chapter 119, revised statutes of Canada, does not include acting as a contractor in railway construction.

I think this meets the difficulty suggested by the hon. member for Hamilton (Mr. Barker).

Mr. SPROULE. What is the significance of that change ?

Mr. FITZPATRICK. Under the Companies Act of 1902 it is provided that incorporation by letters patent may be granted to any company for any of the purposes or objects to which the legislative authority of Canada is applicable, or rather extends, except the following :

Except the construction and working of railways or of telegraph or telephone lines or the business of banking, &c.

It appears that these words have been construed as applicable to companies incorporated for the purpose of constructing telephone and telegraph lines, for constructing railways, although they are simply contracting companies. It is in order to avoid that possible construction of the section in the present Act, that the present amendment is proposed, that is in order to give authority to incorporate by letters patent companies to construct railways, telegraph and telephone lines. That is the object of the present amending Bill as I understand it from my hon. friend from Essex (Mr. Cowan) and if that be the case then I see no objection to the amendment.

Mr. SPROULE. Some years ago we had a good deal of trouble arising through the operation of constructing companys formed for the purpose of building railways. It could hardly be said that the railway corporation formed itself into a construction company, but the same parties as were in the railway company, with one or two others, formed the construction company, and so manipulated the contracts as to secure the government bonuses and everything else possible for themselves. It did not turn out very creditably either to the parties or to the country. And I remember that a strong feeling was aroused against that method of operation. It seems to me that this proposed amendment will allow the formation of these constructing companies ; and, when we consider the possibility of that in connection with the new transcontinental railway, it seems all the greater reason why we should avoid this danger.

Mr. FITZPATRICK. I may explain that my attention has not been drawn to any need for an amendment of the law as we have it. My only object was to try to give effect to what I understand to be the intention of the promoter of the Bill. But I have absolutely no interest in it, and have never been asked to introduce legislation of this kind—no representations have been made to the government, to my knowledge, in favour of such a change. I am quite willing that the matter should be postponed and dealt with hereafter if desired. If the hon. member who promotes the Bill is not sufficiently interested in it to be here when it comes up, I have no desire to press it.

Mr. SPROULE. I am not saying that the Minister of Justice (Mr. Fitzpatrick) wishes to press the matter. But I have heard a good deal of discussion on this subject before, and it seemed to me that this amendment was all the more worthy of attention because of the very important scheme for a transcontinental railway that is now before the country. I do not know whether this Bill is or is not intended to have any connection with that matter, but the circumstances might create suspicion that there was some other object in view than that which was given to the House.

Mr. FITZPATRICK. I wish to make it clear that I have nothing whatever to do with the Bill, and that my interference is solely directed to trying to put the Bill in workable form. In order to prevent any doubt arising, I move that the committee rise, report progress and ask leave to sit again, so that the matter may be fully considered.

Mr. HAGGART. I do not see any possible objection to a company being formed to construct a railway, or a telephone, or a telegraph line. Surely these are things that a company could be properly formed for the purpose of doing.

Mr. SPROULE. In the cases to which I have referred, this state of things was shown: The railway company got a bonus from the government. then they formed a construction company, virtually of their own membership. They built the railway through contractors, but, though they got the bonuses, they did not pay the workmen and subcontractors in full.

Then when an effort was made to follow the matter, it was found that the money had been handed over to a company entirely outside of parliament, and one that we could not hold responsible, because, it was said, they were not the parties who were given the original charter as a railway company. So the parties in the construction company got the money, and those who did the work never were paid. Afterwards, I believe, parliament had to come to the rescue of some of the parties who had not been paid, and had to make provision for the payment of at least a portion of the debt. But the centre of the difficulty was the construction company, and it always seemed to me it was a very bad principle to allow the intervention of such companies. This amendment, being proposed at this particular time, naturally creates suspicion that what was done in past years will be repeated under this amendment.

Progress reported.

RAILWAY ACT, 1903—AMENDMENT.

On the order being called:

House in committee on Bill (No. 2) to amend the Railway Act, 1903.—Mr. Lancaster.

Mr. E. A. LANCASTER. This Bill has been before the Railway Committee. When it was referred to that committee there was an understanding between the Minister of Justice and myself that it would be reached again this session, if necessary, on a government day. Several hon. gentlemen on both sides have asked me, as this is to be the last private members' day, to facilitate the bringing forward of other orders that stand lower than this on the order paper. If the understanding between the Minister of Justice and myself still holds, and this matter can be dealt with later in the session, I shall be glad, as a matter of courtesy to these hon. gentlemen, to allow this matter to stand. If this Bill is gone into it will probably take up a good deal of time. I wish, so to speak, to appeal from the committee to the House—as the committee has reported recommending that the Bill be not passed—and that will take some time. But I am willing to postpone the consideration of this measure if it can be taken up on some government day.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I think my hon. friend (Mr. Lancaster) had better go on. We may not have an opportunity later in the session.

House went into committee on the Bill.

On section 1,

Mr. FITZPATRICK. This Bill was referred to the Railway Committee of the House, and they rejected it. My hon. friend (Mr. Lancaster) comes here by way of appeal, and I think he should give reasons for his appeal.

Mr. LANCASTER. I have no objection, though, I am sorry to say, it will involve going into the matter pretty fully. The House has already heard me more than once on this subject. I say again, as I said before, that I do not think the Railway Committee are charged with the responsibility necessary to deal with a matter of this kind. I think that the members of the House—the whole 214 of them—are those who should deal with a question like this. It is not a matter of detail, not a matter requiring scientific investigation or the consideration of expert evidence. I presume that it was because, although not openly agreeing with me in this House, hon. gentlemen virtually accept the Bill, that there was a small attendance when the matter came up before the Railway Committee. Hon. gentlemen do not seem to pay the same attention to public measures sent to the Railway Committee that they do to private legislation, for the consideration of which the committee is specially formed and with which, under the rules of the House, it is called upon principally to deal.

Now this is a principle that I want to apply to the railways. I am simply calling upon the members of this House to decide on a question of protection of life at highway crossings where railways cross on rail level in a thickly populated district. Now if the Railway Committee in dealing with this matter had changed my amendment they would have been doing what they contended for, but under the plea of saying that my legislation was not called for, they reported to the House that the whole matter should be thrown out. For instance, the first part of my amendment is that the word 'or' should be changed to 'and.' Nobody in the Railway Committee contended that that was not necessary; yet through carelessness, as I am willing to suppose, they concluded to report against the whole amendment. The committee seemed to think that as the railways were bound to protect the crossings any way, if the commission ordered the protection that would be a sufficient protection. But the law as it stands does not require the railway to protect the crossings that have fences from the right of way up to the

sides of the highway, but not affecting the highway at all. I tried to impress that upon the committee, but no attention was paid to my remarks. The gentlemen in the committee argued that because the Railway Commission had power to order protection to the highways my Bill was not necessary, because, if the Railway Commission ordered that protection, the railways would be bound to furnish it. Now the Act as it stands to-day does nothing of the kind. The Act requires railways only to fence or to protect. But the Supreme Court has decided that fencing means merely fencing the right of way up to the highway and stopping at the cattleguards, turning the fences in at right angles to the cattleguards and stopping there. That decision was made last November. True, the learned gentleman who was before the Railway Committee promised us that the case was going to the Privy Council, and that therefore it was not necessary to amend the law now. To begin with, that case does not come within the limits, because it is an Ontario case, and you have to have $4,000 in dispute in an Ontario case before you can take it to the Privy Council. I do not know whether it can possibly go there or not. But we must not assume that the Privy Council is going to overrule a decision of the Supreme Court of Canada, nor can we assume that this House will override the Railway Committee, for instance. We presume, as the Minister of Justice indicates, that the decision of the Railway Committee is right, and he told me emphatically that the onus is on me to show wherein the Railway Committee is wrong. A statement that the case of McKay and the Grand Trunk is going to the Privy Council does not do us any good until we have evidence that the Privy Council has reversed the decision of the Supreme Court. Now it was argued in that case that the company had not properly fenced the railway because they had not properly protected the crossing, that fencing does not mean only up to the highway, or else the section was senseless, because it was dealing with the rate of speed and with the question of protection; and it was argued before the Supreme Court that it must have meant the kind of fencing as protecting, because the section was dealing with the rate of speed. But the Supreme Court has laid down that the fencing as described in the Act means nothing but a fence of the right of way as between adjoining proprietors. Now the present law requires that the railways must do that, or else they must protect, but they need not do both. But the Railway Committee paid no attention to that consideration, and I ask this House to pay some attention to it. My first amendment is that the word 'or' should be struck out and the word 'and' inserted. The effect would be to make the company provide both the fencing and the protection. The committee thought that a protection ordered by the Railway Committee in a special case was better protection than a general law, which I am contending for. But I am trying to impress upon this House that as the law stands to-day no matter what the Railway Commission may order you would not have any protection according to the decision of the Supreme Court of Canada. Now the Supreme Court has decided two things : They have decided that fencing means fencing the right of way and turning into the cattle guards. Every one knows that is not protection whatever to people on the sidewalk or on the highway. In the second place, the Supreme Court decided that protection is such as is ordered by the Railway Committee of the Privy Council now replaced by the Railway Commission. Now even if the contention were correct that it is sufficient to have an order from the Railway Commission, still, unless you grant the first part of my amendment, striking out the word 'or' and putting in the word 'and' you have no protection. The railway company will say : We are only bound to fence or to protect. We have fenced, and we were ordered to protect, but your statute limits the liability to fencing or protection. If we do one or the other we have done all that we are required to do. The statute only requires us to make an alternative for fencing, but not to do both. I do not think the members of this House should leave the law in its present uncertain state. The 214 members of this House are sent here to legislate in what they believe to be in the interests of the people, and they are better able to judge of that than any learned counsel who may be sent before the committee. It is not the duty of a railway lawyer to instruct the members of the House in their duty to their constituents. The contention of the counsel in the Railway Committee was that, if the commission ordered certain protection at a crossing that that was all that was required, and would be better than a general law. I say again that even if that contention were sound, still the first part of my amendment must be granted, or else the railway will not be liable for failing to afford sufficient protection.

I am satisfied that if we had read it more carefully last year when we were in committee for seven or eight weeks on this Bill, many of us pretty well tired of the Railway Bill, we would have understood the effect of it better than we did. I admit that those who were in the House taking part in the discussion upon the general consolidation of the railway law were tired and being urged by other hon. gentlemen in the House to hurry up and get through with it, we did not notice the difference between the word 'or' and 'and.' I would have contended for what I am contending for now had I noticed it. It was a mistake on

the part of the House. I think it was a mistake on the part of the then Minister of Railways and Canals. His attention was not drawn to it and he may have read it as if 'or' meant 'and,' or he may have read it as if the word 'or' included both. The word 'or' ought to be stricken out and the word 'and' be put in. It would be more satisfactory perhaps if I should pause and not say anything about the other matter until we consider the point as to whether we should not have the other protection which is provided for in addition to the fencing.

Mr. FITZPATRICK. The Act as we now have it reads as follows :

227. No train shall pass in or through any thickly peopled portion of any city, town or village, at a speed greater than ten miles an hour, unless the track is fenced or properly protected in the manner prescribed by this Act, or unless permission is given by some regulation or order of the Board. The Board may limit such speed in any case to any rate which it deems expedient.

The suggestion of my hon. friend (Mr. Lancaster) is that between the word 'fenced' and 'properly' in the third line the word 'and' should be substituted for the word 'or' which would make the section read in this way :

No train shall pass in or through any thickly peopled portion of any city, town or village, at a speed greater than ten miles an hour, unless the track is fenced and properly protected in the manner prescribed by this Act.

This protection is proposed in addition to the fencing provided for by section 199 of the Railway Act which section provides that :

199. The company shall erect and maintain upon the railway fences, gates and cattle guards, as follows :—

(a) Fences of a minimum height of four feet six inches on each side of the railway.

(b) Swing gates in such fences, of the minimum height aforesaid, with proper hinges and fastenings, at farm crossings.

Then paragraph 2 provides that :

Such fences, gates and cattle guards shall be suitable and sufficient to prevent cattle and other animals from getting on the railway.

My hon. friend proposes that in addition to these fences it would be necessary for the railway company to provide protection in the manner prescribed by the Act because he proposes that the speed shall not be greater than ten miles an hour :

Unless the track is fenced and properly protected in the manner prescribed by this Act.

Let me draw the attention of the committee to sections 184, 186 and 187 which sections provide that no railway may cross a highway unless upon leave first having been obtained from the Railway Commission, which leave is made subject to such regulations as the Railway Commission shall see fit to adopt for the purpose of protection. Then, in respect to a railway which is already in existence upon application made by the town or village, under section 187, the board may order the railway company within a specified time to provide such protection as it thinks proper under the circumstances.

Mr. FOWLER. Why do you make it necessary for the people to make an application ? Why not have the law so that the railway is bound to take proper precautions without coming to the Railway Commission ?

Mr. FITZPATRICK. The railway company is bound to observe the law just as all other corporations are ? Section 25 provides that the Railway Commission may make such provisions as it deems proper :

With respect to the rolling stock, apparatus, cattle guards, appliances, signals, methods, devices, structures and works, to be used upon the railway so as to provide means for the due protection of property, the employees of the company and the public.

So that on the whole the provision of the Railway Act is that no railway can cross a highway without permission having first been obtained from the Railway Commission and that permission to cross the highway is made subject to such regulations as the board deems advisable under the circumstances to properly protect the public using the highway. In addition to that if a crossing already exists upon written application to the board, the board will make such provision in respect to any such crossing as is necessary for the protection of the public and the board may go, under section 25, to any length it deems proper and make any regulation it deems necessary. The board has full jurisdiction and control over any railway crossing that is not now in existence as well as those which are already in existence. The board will exercise its judgment in respect to any such crossing in view of the existing facts at a particular place, but if you adopt my hon. friend's suggestion what is the result going to be ? You will require at each crossing a fence, you will require in addition to that the protection provided for by the commissioners under the statute and then you will require a watchman. You will require the protection that the Railway Commission may deem proper to give and then you will insist upon a watchman being added to that.

Mr. LANCASTER. I purposely evaded that question altogether until the question of 'or' and 'and' was settled. Unless we

substitute the word 'and' for the word 'or' we will not get that protection that the hon. minister describes.

Mr. FITZPATRICK. I do not agree with my hon. friend. My hon. friend's argument is that if notwithstanding that the board orders protection to be placed at a crossing an accident happens because of non-compliance with that order no liability results. I cannot agree with that. If the board orders proper protection to be placed at a railway crossing, and the company does not comply with the order of the board and as a result an accident occurs, clearly the company is liable for the damages which may result.

Mr. LANCASTER. Would the hon. gentleman have any objection substituting the word 'and' for 'or'?

Mr. FITZPATRICK. I do not think it is necessary.

Mr. LANCASTER. Is there any harm in it ?

Mr. FITZPATRICK. We have had this up before. We have discussed it at some length in the House. The hon. gentleman is quite right to push the matter as strenuously as he pleases. I cannot do any more than state my views in the committee. The matter was discussed and discussed before the Railway Committee and now he is back here again. I have expressed my view and I cannot change my mind about that. The liability of the company is perfectly clear. McKay vs. the Grand Trunk Railway Company was not decided upon this statute. It was decided upon the previous statute. It was a case decided by a majority of the Supreme Court reversing the decision of the Court of Appeal of Ontario.

Mr. FOWLER. Apart from the words 'or' or 'and' I think there is a larger question as to whether the people of the village or town should be compelled to go before the Railway Commission to get an order compelling the railway company to do what the railway company should do and what there should be a statute to compel the railway company to do. It seems to me that the only objection that there could possibly be to this amendment is that the speed of ten miles an hour is too great. There is too great a danger to human lives occasioned by railway trains running through towns and villages or through districts which are thickly settled at ten miles an hour. In the town in which I live, in which there are 2,000 people and which the Intercolonial Railway runs through, there are neither gates nor watchmen. There is great danger to life, and people have been killed.

Mr. FITZPATRICK. This would not help my hon. friend.

Mr. LANCASTER.

Mr. FOWLER. No, I am only giving this as an illustration. What is true of that town is true of other towns that are crossed by railways. I will take advantage of this occasion to draw the attention of the hon. Minister of Railways and Canals (Mr. Emmerson) to the fact that in the town of Sussex there is no protection. I have seen the English mail go through at the rate of sixty miles an hour.

Sir WILFRID LAURIER. The English mail ?

Mr. FOWLER. The train coming from Halifax ; rushing across the main streets of the town at a tremendous rate of speed. The thing is entirely wrong.

Mr. EMMERSON. It is always on Sunday when the people are at church and no one around the streets.

Mr. FOWLER. It is only a short time ago that in a neighbouring town two persons who were driving home from church were killed at a crossing. What applies to Sussex, applies to other towns. I fail to see why this provision should not be made statutory, so that it would not be necessary for these small towns and villages to go to the expense and trouble of appearing before the Railway Commission.

Mr. R. L. BORDEN. The difficulty from my standpoint is that under the law as declared by the Supreme Court of Canada, if a railway company has its tracks properly fenced along the lands of adjacent proprietors, the trains can run at any speed over highway level crossings. Perhaps an amendment like this would meet the difficulty, and I suggest it to the Minister of Justice :

> But unless the board otherwise orders, the speed at any rail level crossing of a highway in a city or town, or in a thickly peopled portion of an incorporated village, shall not exceed ten miles an hour.

Where there are level crossings there should be restriction on the speed of trains, but according to the decision of the Supreme Court there is practically no restriction. The Minister of Justice doubts as to the correctness of that decision, but until it is over-ruled by the Judicial Committee of the Privy Council, or until its effect is taken away by legislation, it will remain the law of the land. There appears to be no limit at all to the speed at which trains may pass over a level highway crossing so long as the bell is rung, and so long as the lands of adjacent proprietors are properly fenced. The fencing of the lands does not help the situation at the crossings, and when a train is running twenty or thirty miles an hour, the ringing of the bell may not be sufficient protection. Some ten or twelve years ago, a very respected old gentleman, a prominent citizen of my pro-

vince, whose hearing was somewhat impaired, was instantly killed at one of these crossings by a train running at a very excessive rate of speed. In countries which are more advanced than ours, level crossings are not permitted. It is most unusual to find them in Great Britain. In all my travels there I have only seen one or two, and then in the most remote parts of the country.

Mr. CLARKE. And they are protected by gates.

Mr. R. L. BORDEN. Oh, yes.

Mr. EMMERSON. They are very common in the United States.

Mr. R. L. BORDEN. They are. If we have to permit them here in Canada it does seem to me proper that there should be some restriction upon the speed at which trains shall run over these level crossings.

Mr. ARMSTRONG. Representing, as I do, the locality in which one of these accidents occurred, I certainly believe that in justice to the residents there some arrangement should be made to place a watchman and gates at that crossing. I sincerely hope that the Railway Commissioners will take that matter into their serious consideration. The people who were killed in the accident referred to, were driving home from the fall fair; the train was going at a much faster rate than usual, and they were unable to get out of the way. The Ontario courts awarded damages and in the Supreme Court, while one judge upheld the decision of the lower courts, three judges were against it and it was reversed. These people have been put to a great deal of expenses in endeavouring to obtain justice, and in order to prevent such accidents in future, we should legislate here that there should be more protection at these crossings.

Mr. EMMERSON. The promoter of this Bill has perhaps unintentionally, but at all events very unfairly reflected upon the attitude of the committee. The committee gave this Bill fair consideration, and there was no disrespect shown to the Bill, or its promoter. The law now reads:

No train shall pass in or through any thickly peopled portion of any city, town or village, at a speed greater than ten miles an hour, unless the track is fenced or properly protected in the manner prescribed by this Act; or, unless permission is given by some regulation or order of the board. The board may change such speed in any case to any rate which it deems expedient.

If the law were amended as proposed, it would read:

No train shall pass in or through any thickly peopled portion of any city, town or village, at a speed greater than ten miles an hour, unless the track is fenced or properly protected in the manner prescribed by this Act, or unless permission is given by some regulation or order of the board. The board may change such speed in any case to any rate which it deems expedient; and wherever in any city, town or incorporated village any railway crosses on the highway at rail level, the said speed of ten miles an hour shall in no event be exceeded unless the railway company keeps a watchman at said crossing to warn all persons using the highway of approaching trains.

This matter was considered by the Railway Committee from the standpoint of the Railway Act of last session which has only been in operation for a year, and which made provision for protecting crossings throughout the country. For this parliament to pass an arbitrary enactment such as is proposed by this Bill would create a hardship and would involve no greater protection—

Mr. FOWLER. In view of the decision of the Supreme Court on the construction of the word 'fencing,' will the hon. gentleman say that the present law is effective?

Mr. EMMERSON. I will deal with that in a moment. I was saying that the railway company dealt with this Bill from the standpoint of the Railway Act of last session which made proper provision for restricting the speed of trains in towns and villages. Now he proposes an amendment which, if carried into effect, would mean that if there were a watchman there, no matter how thickly peopled or well settled it might be, a train could go through that town or city at an unlimited speed. The very case which has been cited arose out of an accident that occurred because of the negligence of a watchman. The presence of a watchman is not at all times a safeguard against accidents. There will be accidents although there are watchmen. It is so along the line of the Intercolonial Railway. We have patent semaphores and also watchmen at important crossings; yet accidents occur and people are injured and sometimes killed. But this abitrary enactment which does not provide for adequate safeguards in thickly-settled sections, is to my mind objectionable legislation. Moreover it requires a watchman at every crossing in every town and village in every section of the country. My hon. friend has referred to the town in which he lives. Take an illustration from another section in his vicinity. There is a railway running from Havelock in the county of King's, N.B., to Elgin in the county of Albert. It runs from one point to another in the morning, and returns in the evening. I do not know that it is ever guilty of speed exceeding ten miles an hour; but the Bill of my hon. friend would require that railway to have a watchman at every crossing in the villages through which it passes.

Mr. LANCASTER. If it exceeds ten miles an hour.

Mr. EMMERSON. It does sometimes exceed ten miles an hour. It cannot have a watchman on tap, for special occasions; but it must have a watchman at each crossing during the whole season.

Mr. FOWLER. I would remind my hon. friend that those villages are not incorporated, and therefore do not come under the Act.

Mr. EMMERSON. Some of them are. Take the town of Sackville, which is an incorporated town. The town from which my hon. friend comes has within the last few weeks, I believe, been raised to the dignity of an incorporated town. It would be absurd to say that all crossings are dangerous. It is within the knowledge of hon. gentlemen opposite that at many crossings, even in incorporated towns, there is no possible danger, while at other crossings in the same towns it would be necessary to have protections. Where the view is obscured it is very necessary that there should be protection sometimes even in addition to a watchman. It seems to me, therefore, that it woluld be entirely arbitrary to have a provision such as this, requiring that at all level crossings, within the limits of every incorporated town and village, watchmen should be placed.

Mr. LANCASTER. Would the hon. Minister of Railways agree to the Bill if I inserted in it the words 'thickly-peopled'? Let us see what we are fighting. I understand the hon. Minister to argue that if a place were thickly-peopled, or the buildings were constructed close to each other, so that the view would be obscured, it would be necessary to have this protection. I have drawn this provision on the assumption that the view is generally obstructed in an incorporated town or village. If the hon. Minister of Railways can find an odd crossing here or there where the view is not obstructed as much as at others, it does not follow, because of that unique and exceptional instance, that the railways should be allowed to go on killing people. The hon. gentleman is evidently not keeping pace with the times with regard to the number of accidents that happen. You can hardly take up a newspaper without reading an account of a man being killed at a railway crossing. Railway people may say that he was careless or was guilty of contributory negligence; but that statement does not prevent the accidents occurring. If the minister thinks my Bill too drastic, and is content to have it with the words 'thickly-peopled' inserted in it, I am willing to make that amendment. This parliament has solemnly declared that there should be some protection for people in the thickly-settled portions of cities, towns and villages. That Act has been in force since 1888, and last year parliament declared that there should be some special protection provided. If some such amendment as mine is not made, that whole section should be repealed, because it has no effect; it does not accomplish anything The hon. gentleman says, you can get protection by obtaining a special order from the Railway Commission. If that is so, there is no need of this section. Why do the Minister of Justice and the Minister of Railways not unite to strike out that whole section. What does it mean? It has always been proposed to provide some general protection to the people in the thickly-peopled portions of cities, towns and villages. I admit that I have gone a little farther by declaring that every crossing in a city, town or village is in a thickly-settled district. If I cannot get that much, let us at any rate do something to save some of these lives.

Let us put in the words 'thickly peopled' and then we will be consistent with the Act as it is now. The Act surely means something. It says that trains are not to exceed 10 miles an hour when passing through any thickly peopled portion of any city, town or vilage. That has been the law since 1888, and last year it was unanimously re-enacted by this House. What does parliament intend by that? What evil are they trying to remedy, what danger are they trying to avert? Surely it is the danger of trains going at a fast rate over the level crossings described in the Act. The object of the section is surely that people who approach a crossing in a town or village shall have a right to expect that trains will not pass over it at a rate in excess of 10 miles an hour according to the legislation of last year, or 6 miles an hour according to the law as it was prior to that time. With this section in force people will of course conclude that a train has no right to run at that rate, unless there is some protection at the crossing, and seeing a train approaching at a more rapid rate they naturally conclude that there is a portection and so possibly drive on to death or injury and in doing so, I do not believe they are guilty of recklessness. I appeal to the Minister of Railways; he seems to be trying to do what I am, but he does not agree with my method. Let us see if I cannot agree with his. He suggests that we should put in 'where the view is obstructed watchmen' or something should be ordered if trains are going 50 miles an hour as they are going every day in my part of the country, some protection should certainly be provided. If the hon. minister had been in Grimsby a little over a year ago, he might have seen the public funeral of three young people, who while going home from church were killed at a level crossing by a train going at the rate of 50 miles an hour. The train does not stop between St. Catharines and Hamilton and I am sure if the minister had witnessed that funeral he would have thought that some law was necessary. Our object is not to make railways liable for damages for accidents that may occur

but to prevent accidents happening. The railways will not make any effort to prevent accidents or to do anything but make money out of the people, and to make fast travel unless they are compelled to do so. The Minister of Railways seems to agree that where the view is obstructed watchmen would be necessary. Then what is the harm in saying that a watchman is necessary and why should we have to go through the form of multiplying the work of the Railway Commission and having an order issued in each specific case? We have a declaration in the law now, even if my amendment is thrown out, that trains are not to exceed 10 miles an hour in thickly peopled portions of cities, towns and villages. Surely if they do that some one should be responsible for any damage that may be caused by such excess, or liable to punishment for breach of that law. The minister thinks that where the view is obstructed and the place thickly peopled there should be a watchman. Let the Minister of Railways help me no matter if I am a member of the opposition. We are all Canadians and want to save Canadian lives. Let him help me to construct a statute according to my view. Let him put 'thickly peopled' and 'where the view is obstructed,' and leave it to a court to find the fact. Let him make such an amendment to the Railway Act and it will do more to make him popular as Minister of Railways than anything he has done. It must be remembered that all cities, towns and vilages are thickly peopled. Villages are not incorporated until they are thickly peopled.

Mr. FITZPATRICK. Does my hon. friend think he has omitted the words 'thickly peopled?'

Mr. LANCASTER. The words 'thickly peopled' are not in my amendment.

Mr. FITZPATRICK. Read it.

Mr. LANCASTER. The statute says:

No train shall pass in or through any thickly peopled portion of any city, town or village at a rate exceeding ten miles an hour, unless the track is fenced or properly protected.

And so on. And I add:

And wherever in a city, town or incorporated village a railway crosses a highway at rail-level, the said speed of ten miles an hour shall in no event be exceeded, unless the railway company keeps a watchman at such crossing to warn all persons using the highway of approaching trains.

I drew the amendment and I thought I knew what was in it.

Mr. FITZPATRICK. I adhere to what I said; I have the Bill before me. Why do the words 'thickly peopled' in the first part of the section not apply to this?

Mr. LANCASTER. I said not five minutes ago that the words were in the original law but not in mine.

Mr. FITZPATRICK. They are in the section you are amending.

Mr. LANCASTER. My hon. friend might be serious; some of us are serious. The Minister of Justice need not think that by quibbling he will knock me off my feet, because I have been in as much trouble as I am now, and have got out of it. I want to treat things seriously and I want them treated seriously. I stated that the words 'thickly peopled' were in the original law, and he objects, because I do not limit it by putting in the words 'thickly peopled portion' in my amendment? But this Bill provides that in cities, towns and villages, watchmen shall be provided at rail level crossings where the speed of ten miles an hour is exceeded. The Minister of Justice and the Minister of Railways find fault with the exact construction of the sentences in this Bill, but they tacitly admit that the object is to avoid the destruction of life at these crossings, and that we do not want the rate of ten miles an hour to be exceeded without some one being liable. If the Minister of Justice thinks that because the railways will be bound to do one thing or the other that, therefore, they will be bound to do both, he cannot regard it as of any disadvantage to put in the word 'and' instead of the word 'or,' and then the language of the section will be what we both think it ought to be. If the Minister of Railways thinks that I am calling for watchmen to be stationed where they are not necessary, I am willing to insert the words 'thickly peopled portion of' before 'cities, towns or incorporated villages.' I am willing to accept what I can get, if I cannot get all I want. Let us save as many lives as we can. I am willing, if the Minister of Railways desires it, to insert 'where the view is obstructed.' Those are his words, and I suppose he used them advisedly. If he desires the Bill to be amended in this way, I suppose he thinks that the principle of the Bill will prevail. It is because the view is obstructed in all cities, towns and incorporated villages that this amendment is necessary. In every thickly peopled place the view is obstructed by buildings and the hearing is obstructed by the noises of the city, town or village. Let me tell the Minister of Justice that people who are injured at railway crossings, or the representatives of those who are killed do not wish to come down here to the Supreme Court to have an argument by eminent counsel as to the construction of the word 'or' and the word 'and,' in order to ascertain whether the member for Lincoln (Mr. Lancaster) was right when he said that 'or' meant or, or whether the Minister of Justice was right when he said that the word 'or' meant and.

Mr. FITZPATRICK. I did not say so.

Mr. LANCASTER. Then, if it does not mean 'and,' we are not giving the protection that the Minister of Justice said we are giving. What is the use of having anything in the law with regard to the protection of crossings at rail level if the railway company can plead: It is true we have not protected the crossing as the law required, but we have fenced the right of way up to the highway and turned the fence into the cattle-guard, and the Supreme Court has decided that that is all that we have to do—we are bound to fence or to protect, bound to do one or the other—and, so long as we do either, we can kill as many people as we like at these crossings? The law provides that the railway shall run at a slower rate of speed at these crossings than elsewhere. But under the decision of the Supreme Court, in effect, that section does not mean anything; it does not accomplish anything. Because I think the Minister of Justice will agree that, according to his own argument, they are bound to fence, under certain sections, and they are bound to protect under certain other sections, if an order of the Railway Commission is given directing them to do so. What can be the meaning of this section if it is not that at these particular points, these level crossings, they are not to run as fast as at other places? Because it is at these points that the danger is, a danger to which all classes of the community is exposed; the farmer going to market, the labourer going to work, the child going to school, all classes going to or coming from church—for it was in returning from church one evening after dark that these people of whom I have spoken were killed at the crossing at Grimsby. Now, there is another point that I have not yet mentioned and that nobody else, so far as I know has said anything about. And, when I state it, some hon. members on the other side who are now laughing, as if this were all a joke, may think that there is something in it. Suppose that a farmer is accustomed to enter a city by a certain road on which there is a level crossing with a watchman to warn people of the approach of trains. Is it not the most reasonable thing in the world to believe even if he changes his route and crosses the railway at another street, he will, unthinkingly depend upon being warned if the train is approaching? And it is not reasonable that we should make some general rule upon which the people can depend, and not compel a man, when he approaches a level crossing in a city, town or village, to try to recall to his memory whether this is one of the crossings for which the railway commission has ordered protection, or whether it is one where the public cross entirely at their own risk? But that is what this statute will mean if you do not make some law that applies to all cities, towns and incorporated villages. Is there an hon. gentleman here who does not believe that it would be safer to guard every highway crossing in a city, town or village, so that people might know exactly what they have to rely upon? Of course, in the open country, there is not the same need, because, the place not being 'thickly populated,' there are no buildings to obstruct the view and no noises to interfere with one hearing approaching trains. Why should there be a watchman, for instance, at Depot street, in Grimsby, and no watchman at Elizabeth street a hundred yards away and at a point as thickly populated as the other if they were both on the level of the highway? Surely the simplest, most efficient way would have been to have one rule which would apply easily to all places under similar conditions. It is true, that watchmen will cost the railway company something. That was the whole contention of the counsel that appeared before the Railway Committee—that this amendment would cost them money. But they get the use of the highway for nothing, and it seems to me only reasonable that they should expect to pay some toll in order to provide means to prevent people from being killed who wish to use the highway.

While it is going to cost them money to do it, it will not cost people their lives. They say it will cost them $2.70 at each crossing during the twenty-four hours, and they multiply that by all the level crossings in the country, and say that it would cost them a million or a million and a half of money, and therefore we should not impose this costly legislation upon them. But in the same breath the counsel for the railways argued that there was no need of this law, because they were going to convert all their level crossings into overhead or underground crossings. Yet they did not seem to see that the moment they converted the level crossing into an underground or overhead crossing my law would not apply to them. That is the sort of argument you get from railway counsel arguing before the Railway Committee why a public Bill should not pass. They say: We are going to convert all our level crossings as fast as we can into crossings that are not on the level; and in the same breath they say it will cost them so much money to keep watchmen at each of these level crossings, and therefore we ought not to impose that burden upon them. Now, they cannot find fault with us if we accept their own statement. As soon as they convert their crossings they can take away their watchmen. In the older parts of the empire, around London, England, where I was born, you did not find a level crossing unless there was a watchman with a flag.

An hon. MEMBER. But you are a foreigner.

Mr. LANCASTER. I may be, in the premier's opinion, but as long as I am a member of this House of Commons I

am going to speak in favour of the people who sent me here. In England these watchmen are either one-armed or one-legged, as a rule, because when a railway employee gets maimed the companies make him a watchman at a crossing—pension him in this way; and so he saves life while he is there, and makes a living, and at the same time the railways become popular with the people, because they do not kill them. Now, this parliament might teach the railways of this country something by adopting this legislation; we could teach them that although they are not bound at present, and would not necessarily be bound if this Act were passed, to employ men as watchman that they happen to have maimed, still if they choose to pension their men in that way they could well do it, and at the same time preserve the lives of the people crossing their railways and avoiding accidents for damages. Now, I want to impress upon the Minister of Railways what I said before I sit down. It may be that I am not advocating this measure in the best manner, it is possible that in my earnestness, and in my desire to accomplish what I think is right, I am not arguing my cause with the suavity possessed by the Minister of Justice or the Minister of Railways. This is not a party question, and I hope that the protection of the people's lives will never become a party question in this country; therefore, I ask the ministers and the House to consider a little further what I have said about this measure; to ask themselves whether, after having put in the words 'thickly peopled and where the view is obstructed,' they have done any harm by this legislation? As it now stands, the legislation is not practical. To say that a railway train must not exceed ten miles an hour in a certain place and yet to say at the same time that they are not liable if they do exceed that rate unless they have got an order from some authority to say that they shall not exceed it unless on certain conditions—that is round-about legislation, and it will give rise to losses and cause trouble. We have here in my amendment a clear declaration that in certain places that are thickly peopled, and where the view is obstructed, they are bound to have a watchman to warn the people of approaching trains, otherwise they cannot exceed ten miles an hour. Then there will be no question that if they want to run their trains faster than ten miles an hour they must employ watchmen.

Mr. FITZPATRICK. There is only one difficulty that I see with this amendment, and it is a serious one. Would the hon. member say what would be the proper protection required by the Act supposing we substituted 'and 'for 'or'?

Some hon. MEMBERS. Six o'clock.

Mr. LANCASTER. I will answer the question after recess.

At six o'clock, committee took recess.

After Recess.

,Committee resumed at eight o'clock.

Mr. LANCASTER. Mr. Speaker, when the committee rose at six o'clock my hon. friend the Minister of Justice asked me if I would tell him at eight o'clock what the effect of my amendment would be. As I understood him, he wanted me to say what protection would be the result of my amendment. My answer is that the effect of my amendment that at all these crossings on the rail level where trains exceed ten miles an hour within the limits of cities, towns and incorporated villages, there will be a watchman.

Mr. FITZPATRICK. What I wanted to know was if you substituted 'and' for 'or' what would 'properly protected' mean?

Mr. LANCASTER. Without any other amendment?

Mr. FITZPATRICK. No other amendment.

Mr. LANCASTER. The effect would be that the only protection that there would be at these crossings would be such protection as is ordered by the Railway Commission under some of those different sections which the hon. Minister of Justice referred to this afternoon.

Mr. FITZPATRICK. You would not be any further ahead.

Mr. LANCASTER. We would be this much farther ahead, that if we did go to the trouble to get an order from the Railway Commission it would have to be carried out, and if the railway company did not protect under that order and under the requirements with the words 'and' inserted in the section, they would be liable. If we do not have the word 'and' in the Act and we get an order from the Railway Commission the railway company would be in a position to say we are not bound both to fence and protect, because we are only bound to fence or protect. We have our fences up to the highway and turned into the cattle-guards, so that we are not liable under the circumstances. With my whole amendment there would be more protection, the railway company would be obliged to protect by a watchman at all those crossings on the rail level where their trains exceeded ten miles an hour within the limits of cities, towns and incorporated villages and in addition they would be obliged to furnish such other protection as in any special case an application was made to and an order granted by the Railway Commission. My law would not affect them at all unless they exceeded ten miles an hour. The Railway Commission have it in their power to keep their trains down in these places under ten miles an hour or

else to put on a watchman if my amendment carries.

Mr. EMMERSON. My hon. friend from Lincoln (Mr. Lancaster) was good enough to say that we all desired the same thing, that is to lessen the danger in respect to level railway crossings. I think we all have that object in view. It is only a difference as to the methods to be pursued. It seems to me that the proposed amendment of my hon. friend is objectionable from two or three standpoints. I have already explained briefly in what way, but I would give a farther reason, and it is that it would limit the discretion and power of the Railway Commission. If there is a dangerous crossing, whether it is within the limits of any city, incorporated town, or village, or whether it is through the country generally and it is brought to their notice they have the power to order in respect to that particular crossing the railway company to afford all the protection that may be necessary.

Mr. LANCASTER. Can they not do so if my amendment is passed ?

Mr. EMMERSON. Your amendment limits the discretion and power and it is inconsistent with the previous provision in the same section giving the board permission to allow an increase in the rate of speed. I have pointed out already that if this arbitrary enactment were to be acknowledged by this committee under such circumstances there would be no limitation to the speed of the train within the limits of any corporation if a watchman were provided. That would be inadequate. The mere fact of having a watchman would not be a protection to the public, and yet it would be a protection to the railway company. If they had a watchman they could put their trains through the bounds of the corporation at any speed they chose. I think that will be acknowledged by my hon. friend.

Mr. LANCASTER. No, no, not at all. That is not the result, in my opinion.

Mr. EMMERSON. According to his proposal it is made to apply whether a portion of the city, town or incorporated village is thickly peopled or not.

Mr. LANCASTER. Suppose we insert the words 'thickly peopled.' That would do away with that objection.

Mr. EMMERSON. I do not think that would carry it any further according to the argument of my hon. friend. There are many level crossings throughout Canada which do not require a watchman to protect them. Admittedly they do not require a watchman, but yet the enactment of my hon. friend would demand that there should be a watchman there. Under his amendment there would be the privilege of unlimited speed given to the railway companies, and I think the provisions of the Railway Act, as contained in section 25, afford all the protection that the public require in the case of dangerous crossings whether within the limits of incorporated towns, or villages, or cities, or whether outside of the bounds. The Railway Commission, under subsection (a) of section 25 of the Railway Act, have power to make orders and regulations :

> Limiting the rate of speed at which railway trains and locomotives may be run in any city, town or village, or in any class of cities, towns or villages described in any regulation ; and, if the board thinks fit, the rate of speed within certain described portions of any city, town or village, and allowing another rate of speed in other portions thereof.

It seems to me that this is the only sensible way to regulate these matters. You would have, by the proposed enactment, an arbitrary cast iron rule to apply to the whole country. It would be unfair to apply it to the whole country, it would be adding unnecesssary expense and especially in this country where we must recognize conditions and where we must have regard to sparsely settled communities. There are in this country incorporated villages where there are only 300 inhabitants. Will any one say that unless there is some crossing within the limits of that corporation which is dangerous there should necessarily be a watchman any more than there should be a watchman in some of the country districts which are not incorporated. But in that case if there were a dangerous crossing within the municipal limits you could apply to the Railway Commission, and you could have whatever regulation the judgment of the commission would deem it necessary to pass. The same is true in respect to any crossing throughout the length and breadth of the Dominion. The Railway Commission is clothed with full powers to require whatever protection they may think necessary. It does seem to me unwise that within a few months after the Railway Commission has come into being, and without our having any experience of the working of the new railway Act, we should now proceed to make amendments. It is not desirable to interfere with the existing law unless cogent reasons are shown for such interference. If this amendment should pass we would take away from the Railway Commission the powers we have given it.

Mr. LANCASTER. No.

Mr. EMMERSON. Most decidedly you do.

Mr. LANCASTER. The Railway Commission have the right to regulate the speed, but what is the sense of section 227 as it now stands ?

Mr. EMMERSON. This amendment to the Act is objectionable for the reason that

it restricts the power and discretion of the railway board, under which they can increase, or decrease, the rate of speed as they may deem expedient. If this clause is tacked on to the section it certainly limits the power of the railway board.

Mr. BLAIN. Has the Railway Commission power to limit the rate of speed to less than ten miles an hour ?

Mr. EMMERSON. Under the existing Act the Railway Commission has full power to order trains to run at less than ten miles an hour. It seems to me that my hon. friend has not shown good cause for his amendment. As it is now, and as I think it ought to be, each crossing must stand on its own merits and be considered individually ; from the use made of it; the population in the vicinity, and its danger generally. In legislating here we cannot know the conditions which prevail at the different crossings throughout Canada, and no cast iron rule can apply to all, because what may be desirable in one place might be very undesirable in another. We must recognize that the public interest demands that fast trains must be run If we are to keep pace with the times there must be fast express trains and we cannot have fast express trains unless under certain conditions they have the right to go at speed on rail level crossings. If in the exercise of that right there is danger to the public at any particular highway crossing then the Board of Railway Commissioners have the power to take it into consideration and provide a remedy. Accidents often do happen and we all deplore them, but very often these accidents are not due to trains running at speed. The fact that trains do run at speed is only one cause of accident, a cause we should guard against it is true, but still it is only one cause and we must not forget that these accidents are often due to other reasons.

While it is a disease for which a remedy should be applied, it is not the only disease. Therefore it seems to me that the commission can better have regard to all the causes than this parliament can have regard to only one cause, that is, the cause of speed. I mentioned incidentally that there are many crossings which are dangerous solely because of the view being obscured. It does not make much difference whether a train runs at a very great speed or at a lesser speed. There is a difference in degree, I admit, but the danger is there just the same, and you cannot remove that danger by merely providing against extreme speed. By application to the commission, and by placing all the facts before them, you can have a remedy applied which is to the point, which is suitable to that particular crossing, and which affords protection. I think my hon. friend places too much reliance upon a watchman. I know from my own experience that in too many cases that is not a protection against loss to life and limb. I prefer rather to leave the working out of this difficulty to the Railway Commission, as provided by the Act passed last year. I think this is too early a stage for us to attempt to pass any amendments to that Act. Its operation is the test, and if after its operation for a time, the remedy of the Railway Commission is found to be inadequate, it will be time for this parliament to provide other remedies. But at present it seems to me that no good cause has been shown why we should make this change, and remove from the commission the powers which we have given them in this regard ; because I hold that we would be removing from them, in degree at least, their powers, and would be limiting their right of action for good.

Mr. BLAIN. Can the hon. minister state to the committee any serious accident that has taken place at any crossing where a watchman was provided ?

Mr. EMMERSON. Yes, a great many. The very case cited by my hon. friend—one of the cases before the courts of Ontario—was a case in which there was loss of life, I think, although there was a watchman. The fact of a watchman being there is no absolute safeguard. I grant that it is some measure of protection. But if the Bill became law, the mere fact that the railway company had provided a watchman would of itself be a rebuttal of any negligence on their part, and there would be no remedy against them. Moreover, it would enable the railway company, notwithstanding the provisions of section 227, to run its trains at any speed, whereas under the provisions of the section at present there is a limitation as to speed.

Mr. LANCASTER. I am sorry that the Minister of Railways has said that it is not necessary to consider the section of the Act I am proposing to amend. It is almost impossible to convince any hon. gentlemen who makes that statement that an amendment is right. I have never before heard it suggested that it was not necessary to consider the document you are proposing to amend. The hon. gentleman persists in referring to the provisions of the Act giving the Railway Commission power to regulate speed and other matters entirely outside of the section before the committee ; and I suppose it is almost hopeless to expect the section I am seeking to amend to be properly understood by the committee if there are many hon. gentlemen like the Minister of Railways who believes it is not necessary to consider that section. The hon. minister took very good care not to attempt to explain the section. He does not say, in answer to me, what the object of the section is ; but he says that no good could come of the amendment which I wish to make to that section.

Mr. EMMERSON. I say it would make it worse.

Mr. LANCASTER. The hon. gentleman ought to have been able to tell us what the object of the section as it stands is. That section in substance has been in the law since 1888. It provides that no train shall pass through a thickly-settled portion of any city, town or village at a speed greater than ten miles an hour—it used to be six miles. The Railway Committee of the Privy Council had power to make regulations with regard to railways crossings, and the hon. gentlemen will have the commission deal with that same matter as if this section did not exist at all. If the hon. gentleman's argument amounts to anything, it amounts to this, that because you can get a special provision from the Railway Commission, you do not need anything else. If that is the case, this section should be struck out of the statute altogether. I am inclined to believe that the Minister of Railways does not understand that section, or does not bother his head about it.

Mr. EMMERSON. Pardon me : I read the section.

Mr. LANCASTER. That section contains a declaration of this parliament that no train shall pass at a speed greater than ten miles an hour. We know that other parts of the Act provide that the Railway Commission can regulate the speed at any rate they deem expedient. The hon. gentleman says that if we pass this Bill, we override the powers of the Railway Commission. Now, I propose to show that in that the hon. minister is entirely wrong. As the section stands unamended, it is inconsistent, while my proposed amendment clears it up. As it stands, it is simply an invitation to have lawsuits. One lawyer will say that you must take the whole section and that reading it altogether the meaning is that the speed shall not exceed ten miles an hour, but the board may say that it shall not exceed twelve or fifteen miles. Another lawyer will say that the board can regulate the speed in any fashion and that seems to be the construction put upon it by the minister, that they can regulate it to five or six miles, notwithstanding the statute says it shall not exceed ten miles. My amendment removes all ambiguities and says that in no case shall the speed exceed ten miles unless they have a watchman.

Mr. EMMERSON. The hon. gentleman in his amendment says :

> And wherever in a city, town or incorporated village a railway crosses a highway at rail-level, the said speed of ten miles an hour shall in no event be exceeded, unless the railway company keeps a watchman at such crossing to warn all persons using the highway of approaching trains.

That might be in the suburbs of a town where there are no inhabitants. 'Wherever in a town, city, or village' ; there might be no necessity for it in the outskirts. The section as it now stands says that no train shall pass through any thickly peopled portion at high speed, but the proposed amendment would require a watchman at every crossing in the approaches to a city, even in districts where there might be no inhabitants, and yet the train would be required to slow up at each of these crossings.

Mr. LANCASTER. That was not the point I was discussing when the minister interrupted me. However, if he wishes to discuss that I will go back to it.

Mr. EMMERSON. I wish the hon. gentleman to discuss it and therefore I called his attention to it.

Mr. LANCASTER. Before six o'clock I pointed out half a dozen times ; it was necessary to do so because the minister did not seem to understand, that if he wants to insert the words 'thickly peopled' in my amendment, I am willing to accept that. I have said that at least six times, and I hope the hon. gentleman will not again bring that up as a supposed answer to something I am discussing. I was saying that the power of the board for which he contends, is not interfered with in that section. By my section it is made clear that if they exceed ten miles an hour, they must at least have a watchman, and if they have a watchman, they can go as fast as they like if the board permits them to do so. There is not the least excuse for the argument that this limits the power or discretion of the commission. It does carry out what the section says in the beginning. In that is contained the declaration of the policy or the intention of the legislature of this country that as a rule the speed of trains in these thickly peopled portions is not to be more than ten miles an hour, where there is no protection in cities, towns and villages. When you come on with an amendment to legislate out the decision of the Supreme Court which has made this section nugatory, you are doing something in the interest of the whole country, not only by the protection of life, but also by making the law certain and clear. To say that it is interfering with the powers of the board to provide that the rate is not to exceed ten miles an hour, is unreasonable.

How can the minister contend that my amendment is inconsistent with the intention of the section and at the same time not move in amendment to strike out the whole of section 227 is what I cannot understand, because if his argument amounts to anything this section 227 does not accomplish anything and should not be in the statute. He does not pretend to say what it does accomplish, but claims that the law is sufficient without section 227 at all. The hon. gentleman says that this is an arbitrary

enactment, and it would not be possible, if this section passed, to more closely limit the speed of any trains. If that argument was good, it must be based upon the idea that this enactment will repeal all the other sections giving power to the commission to regulate the speed of trains. As a matter of fact this section does not say a word about that, but it only provides that either the speed provided for must not be exceeded or else a watchman must be provided. I am not saying that the speed should be left at ten miles an hour, but I am only carrying into effect the law as it stands. The only object is to ask parliament to enact that this provision of the law shall mean something and be practical and effective. The hon. gentleman says there are a number of crossings that do not require watchmen. If he means that there are crossings in the thickly peopled portions of cities, towns and villages that they do not require watchmen I will not waste the time of the committee in answering him. I leave that to the judgment of members of this committee. I cannot suppose that that is just what the hon. gentleman meant. I assume that what he meant was that there are crossings which do not require watchmen, that they can be better protected in some other way than by watchmen. If so, he is assuming the very contrary of what the statute has required ever since 1888. But the hon. gentleman is careful not to say what protection is better than watchmen. He tells us that the member for Lincoln (Mr. Lancaster) is not right, but I am going to ask the committee to assume that my suggestion is a good one when the hon. gentleman himself does not offer a better. Minister of Railways, though he be, he has no right to ask this committee to refuse to accept a proposed remedy when he himself has nothing else to propose. But, let me tell him why the watchman is the best way of providing protection.

Mr. EMMERSON. How about gates?

Mr. LANCASTER. If you have gates you must have some one there to watch them and to operate them.

Mr. EMMERSON. Why not automatic gates?

Mr. LANCASTER. I understand the minister to say that some one can be employed to operate them. The Railway Commission may order gates as well as watchmen. I shall not complain, because the public will be all the better protected. But if you have only the one means of protection, the watchman is the best. If you have gates and no one to operate them but the person who wishes to cross you have the gates raised by people who know nothing about the times when trains may be expected. But a watchman employed by the railway may be supposed to know when trains are to be expected—it is his business to know, and we must assume that men will do their duty. Then, a watchman is not inanimate, he is not a fixture. If he sees a person crossing he can call to him, if necessary he can follow him and make sure that his warning is heard. He can continue his warnings until he accomplishes his purpose, which is to prevent the impact of the swiftly moving train upon the human body.

Mr. EMMERSON. Does the hon. gentleman (Mr. Lancaster) mean to say that there are no automatic gates that can be used without watchmen?

Mr. LANCASTER. I do not say that; but the hon. gentleman will find that the railways would prefer to provide watchmen rather than these automatic gates, as being less expensive. This Bill will not apply to every crossing, because there are many of them in cities, towns and villages in which the railway runs either over or under the highway and in such cases they would not apply. Though the Minister of Railways has not ventured to make a suggestion himself I will complete what I was saying of the advantages of watchmen over other means of protection. The hon. minister told my hon. friend from Peel (Mr. Bain) that there was a watchman at the crossings at which the McKay case arose. But, let me tell the hon. gentleman, the railway company had no watchman there. The village of Forest, knowing that this was a dangerous crossing provided a watchman for this particular day, which was fair day, and they knew that there was special danger of accident on that day. But this watchman knew nothing about the hours of trains. And I suppose that he felt that his responsibility was not very great, because he was not employed by the railway and the railway could not discipline him even if a dozen people were killed. The jury found that the train that killed Mrs. McKay and the children was going at an excessive rate of speed, and when Mr. McKay sued he was awarded damages. The rate of speed was twenty miles an hour, and the jury thought, as parliament has thought every since 1888, that that was an excessive rate of speed for the thickly peopled portion of a city, town or village. It was 14 miles an hour faster than the statute then said it should be, which was 6 miles an hour. The jury agreed with this parliament, which called it 6 miles an hour. There was no protection there by law. They had their tracks fenced, the fences turned into the highways, but that is no protection to the traveller. The Court of Appeal of Ontario sustained that judgment, and the Supreme Court judges by a majority declared the law to be of such a nature that it is necessary for the statute to be amended in this House. The Supreme Court expected the Minister of Railways to say: In view of that state of the law we must override that decision by an amendment. The judges stated that the fencing required by the Act was

only to reach up to the highway, turning into the cattle-guards. It is all very well to say that people should be protected here, but it is no good to say that, unless some hon. gentlemen suggest a way of protection. To say that the Railway Commission in each case can make an order as they think necessary is no answer unless we are going to say that this section should not be in the statutes at all, that parliament should not make a declaration that the greatest speed should not exceed 10 miles an hour. Formerly it was 6 miles an hour, and Mr. Blair thought 6 miles an hour was a little too slow to make them run, but he did not strike out the section and left it at 10 miles. Now is this parliament going to allow a section to be declared nugatory by the Supreme Court without amending it, or without having the courage to strike out the whole section? I am bound to point out to the Minister of Railways that if he rejects my amendment and does not put in another to make this section practical, he is coolly insisting on a section remaining in the statute that the Supreme Court of Canada says is of no effect.

Now the Minister of Railways referred to section 25 of the Railway Act as to the power of the board. I cannot see why he made that reference. That is a general section giving power to the board to make regulations limiting the rate of speed, specifying the means of protection and so forth, stating in general terms what the powers of the Railway Commission should be in every matter. That section simply gives them jurisdiction in general terms over the speed of trains and these other matters, but it does not have any effect to make my amendment inconsistent. But that section 25 must be read in the light of section 227, and means that, subject to 227, which fixes the rate of speed in cities, towns and villages at 10 miles an hour, the board is to have jurisdiction in all other respects. I thought the minister was going to help the House to do something practical but he has not. Now again, I ask the minister what is the object of section 227? Here is a parliament solemnly declaring every year in a general law that no rate of speed should be exceeded, that a certain rate which was formerly 6 miles an hour and now 10, shall not be exceeded in those places; and yet, without repealing this section the minister would suggest that I add to it 'whenever the board does not allow that rate to be exceeded.' What would the section mean then? It would state in one place that no train shall go faster than 10 miles an hour at those places, but at the same time the board can allow it to go faster if it chooses. I submit, Mr. Chairman, that instead of the minister saying that I have made out no case, there is no excuse for him opposing this amendment. To say that we had better wait until we see what the Railway Commission will do, does not help us at all if the law is wrong. Why should we wait to see whether the Railway Commission will be able to accomplish something that on the face of it we cannot expect them to do? The Railway Commission is not going to regulate this rate of speed at 10 miles an hour. If you reject my amendment and refuse to say that this is the opinion of parliament, the Railway Commission at once, if they know what happens in this House to-night, will say: Parliament does not intend to force railway trains to run at so slow a rate as 10 miles an hour, even if the track is not protected. Take a case where the board would not make any order as to protection would not order a watchman or gates; at the same time, according to the Minister of Railways, they could allow a train to run in one village at 10 miles and in another at only 6 or 8 miles an hour. Now how is that going to work?

A man driving along gets accustomed, when he sees a train so far off, to judge how long it will take it to get to the crossing which he is approaching. To say that the rate of speed is not the cause of these accidents is, in my opinion, not correct. It is the cause of the accident. A man sees a train approaching him at a certain distance, and expecting that the train is moving at the rate of eight or ten miles an hour he knows he can get past it before it comes to the crossing, but if it is going five times as fast as that, or if it is going at the rate of twenty-five miles an hour, he is not prepared for such a speed, and when he attempts to cross the train strikes him, and he is either killed or injured. If so, it is the fault of this parliament and of this government. To make the law reasonable and fair to the people as well as to the railways, you should have a declaration in it—you have the declaration in it now, but it is so construed by the courts that it cannot be carreid out—that the railway companies must provide watchmen if their trains exceed a rate of ten miles an hour. If the train is going at a faster rate than ten miles an hour a man approaching the crossing is warned and protected by the watchmen. It has been said that the rate of speed does not affect the obstruction of the view, but if the view is obstructed the rate of speed makes a difference, because if the train is going at a rate of speed four or five times as fast as the man travelling along the road thought it was going he will not have time to get out of the way. I cannot understand why the hon. Minister of Railways and Canals does not adopt this amendment, and I submit that the majority of the committee, even if the hon. Minister of Railways does not support it, ought to vote for it so as to make the statute workable for the benefit of the people, because, as I have pointed out, the Supreme Court has decided that it is of no effect at all as it stands to-day.

Mr. ARMSTRONG. Knowing, as he does, the case which took place in Forest, whereby two or three people were killed, I want to ask the hon. Minister of Railways whether he would approve of having a watchman at that point or not ?

Mr. EMMERSON. I am not familiar with the circumstances of the case to which my hon. friend (Mr. Armstrong) refers. I can only say to him that the law as it now stands provides a remedy, and that if gates or a watchman are required the Railway Commission has full power to deal with the matter, and it is entirely foreign to the proposition of my hon. friend here to-night. The Railway Commission has jurisdiction over the matter. I have not.

Mr. BLAIN. I think my hon. friend from Lincoln (Mr. Lancaster) should get some consideration at the hands of the government in connection with this important question. The hon. Minister of Railways and Canals (Mr. Emmerson) has had brought to his attention the very serious accidents that have occurred in different parts of Canada during the last few years. I am not going to enter into a discussion of the old or new law, but I am of the opinion that it is the duty of the government at this session of parliament to make the law so plain that all important crossings in the different municipalities should have proper protection, whatever that protection may be. In the county I have the honour to represent there has been very general complaining in this respect for many years. At the last session of parliament this new Act was passed, but notwithstanding there are accidents taking place in different parts of Canada at railway crossings. The hon. Minister of Railways and Canals seems to fear lest the Railway Commission's duties should be somewhat crippled, but, if I am correctly informed, since the Railway Commission has been appointed there have been some three hundred cases submitted for their consideration. They have only been in operation some few months, and I do not think the hon. minister need fear lest these gentlemen should run out of a job. I think that this Act should be made plain. At the last session of parliament the rate of speed at which trains were permitted to run through cities, towns and incorporated villages, where the crossings are unprotected, was increased from six to ten miles an hour. The case of McKay vs. the Grand Trunk Railway Company should be sufficient in itself to cause the government of this country to make such changes in the law as are necessary for the protection of the travelling public. This accident occurred in Forest, Ontario, where three persons were killed. An action was brought against the Grand Trunk Railway Company. It was proven in court that under the law the Grand Trunk Railway Company could not run their trains at a faster rate of speed than six miles an hour over this crossing ; yet the evidence adduced in court was that the Grand Trunk Railway Company were violating the law by running their train that day at the rate of twenty miles an hour in the village. That case was appealed from one court in Ontario to another, and the different courts in Ontario put the responsibility on the railway company and said that damages should go to the family, but when it came to the Supreme Court at Ottawa the judgment was set aside. With that condition of things existing in this country in connection with the railway law, I think it is the duty of the government to see to it at this session of parliament that the law is made so plain that where such an accident as this occurs there shall be some remedy against the railway company. In the town in which I live there are one or two dangerous crossings. There is a movement on foot in the different provinces of Canada to make better highways. While I am not prepared to say that at every crossing there should be a watchman or gates, I do think that on the important thoroughfares, and there are generally one or two in every town or village in Canada, the railway company should be compelled to provide watchmen and gates to protect the public. I think they should do that under the law, instead of giving discretion to the Railway Commission to say whether a watchman or gates should be provided or not. It should be taken out of the hands of the Railway Commission altogether. The law should be made plain that the railway companies should be compelled to put watchmen and gates at such crossings in order that the travelling public may have better protection. I do not think it is in the interests of the public or in the interests of the government that, in respect to any crossing where there is danger, all these regulations should be complied with which are provided for in the Act of last session, that plans should be prepared by the municipality, that profiles should be submitted, that evidence should be produced and that miles and miles of travel should be undertaken, in order to reach the Railway Commission. The Minister of Railways and the government know well that there are important crossings in this country where proper protection should be given. I believe that protection should be given and should be paid for out of the treasury of the different railway companies, and not by the people or parliament of Canada.

Mr. CLARKE. I understand from the hon. member (Mr. Lancaster) that since parliament passed the Railway Act, 1903, a decision has been given by the Supreme Court which practically nullifies what parliament intended. The decision of the Supreme Court was that if a railway company fenced its right of way up to the highway, the company was not liable no matter at what rate of speed the trains passed over the

crossing. It certainly was not the intention of parliament to have level crossings left without some reasonable measure of protection. It is true that trains run at faster speed now than formerly, but that very acceleration of speed through crowded municipalities increases the danger. That being so, the railway companies who are responsible for the cause of that increased danger should assume the cost of giving reasonable protection at these level crossings. The minister has said, and there is some force in the contention, that the law provides for the settlement of these cases by the Railway Commission ; but the minister must know that there is a limit to the financial capacity of the municipalities, and it is a most unreasonable burden to impose upon them the obligation of coming before the commission whenever they have a complaint to make. There should be some specific provision in the law requiring the companies to give the necessary protection ; but should the companies deem such protection unnecessary then the onus of establishing that should be on the railway companies. I wish I had here the statement of Mr. Wainwright as to the obligations which were imposed upon his company in protecting level crossings, when on a recent occasion before the Railway Commission he opposed the granting of another level crossing in the municipality of St. Henry. Surely when parliament has permitted trains to run at an increased speed of ten miles an hour when it formerly was six, and in view of the decision of the Supreme Court, it is the duty of parliament to obligate the railway companies to give the necessary protection. The Minister of Railways has given no valid reason why the Bill of the hon. member (Mr. Lancaster) should not become law. The Railway Commission will not deal with these matters unless its attention is drawn to them. It is unfair to compel the municipalities, the lives of whose citizens are in danger, to come before the Railway Commission with plans and profiles and testimony, in order to establish an obligation which primarily should rest upon the railway companies. It would be a sensible proposition to say that upon the request of a municipality it should be the duty of the Railway Commission to issue an order for gates and watchmen, and that the railway company should be compelled to appear before the commission to show cause why that order should not be complied with. If the decision of the Supreme Court interprets the law contrary to what parliament intended, then it is the duty of this parliament before prorogation to make some provision in the line of the amendment suggested by the hon. member for Lincoln.

Mr. EMMERSON. We have travelled far from the real point at issue in this case. The decision of the Supreme Court of Canada had reference to the question of the negligence of the railway company. Much stress is laid upon the question of fence protection, but in most of these municipalities there is not even an attempt made to fence along the line of railway. While hon. gentlemen have been drawing attention to that, let me draw their attention to the alternative words in the statute : ' or properly protected in the manner prescribed in this Act.' Thus the Railway Act, 1903, makes provision with respect to the protection that shall be afforded.

Mr. CLARKE. In view of the statement made by the hon. member for Lincoln as to the decision of the Supreme Court, how can the minister say that the Act makes any other provision than to refer the matter to the Railway Commission ?

Mr. EMMERSON. The decision referred to does not in any way affect the Act in that particular. The question was one of negligence as to whether the railway company had exercised proper care and diligence under the peculiar circumstances connected with an excursion. That does not in any way condemn the Railway Act of 1903, and more than that, the proposed amendment in no way touches the question that arose in that case. If we adopt that amendment we would afford no other protection than to say, that there should be a watchman in incorporated towns and villages, and that then the railway companies could run their trains at any speed they might choose. Under the existing law the protection required at each crossing would be decided on its merits ; the Railway Commission would hear the evidence and determine the form of protection that should be afforded. Therefore I say that the law as it stands to-day affords the most ample protection to the public. It is much more complete than any general provision which might be enacted in the form proposed by the hon. member for Lincoln. We have the best possible protection under the provisions of the Act empowering the Railway Commission to deal with each particular case as it arises.

Mr. CLARKE. I have listened very carefully to the argument of the hon. member for Lincoln, and it appears to me that what he is striving for is an amendment to the law to make provision that in the thickly settled parts of incorporated cities, towns and villages, trains shall not pass at a greater speed than ten miles an hour unless a watchman is provided. Surely it will not be argued that it would not be a substantial relief to the municipalities to have that amendment made ?

Mr. EMMERSON. The law now is that ' no train shall pass in or through any thickly-settled portion of any city, town or

village at a speed greater than ten miles an hour, unless the track is fenced or properly protected in the manner prescribed by this Act.' In cities, towns and incorporated villages there are no fences. Other sections of the Act—186, 187, 224 and 25—all contain provisions for protection.

Mr. CLANCY. I am not quite clear what the hon. gentleman's objection to the Bill is, other than that he is determined that there shall be no amendment. According to my short parliamentary experience, we usually first lay down the policy of the law. We have created a railway commission, and have laid down some general principles to govern that commission. It amounts to this, that the hon. Minister of Railways prefers the Railway Commission to legislate on this matter, whereas my hon. friend from Lincoln proposes that this House shall declare, by an Act of parliament, what its will is. I ask the hon. gentleman if that is not the substantial difference between himself and the hon. member for Lincoln.

Mr. EMMERSON. I simply say that what is ample protection at one crossing is very inadequate protection at another. Parliament at its last session delegated certain powers to the Railway Commission, very wisely I think, because that Commission can better judge, from the circumstances and the evidence in each particular case, as to the character of the protection to be afforded.

Mr. BLAIN. Did I understand the hon. minister to say that the provision in section 227 of the Act of 1903, with regard to fencing, in towns and villages, is not complied with ?

Mr. EMMERSON. I mean to say it does not apply in a general way, because not only do incorporated cities, towns and villages not fence, but they are very much opposed to any such thing.

Mr. BLAIN. My hon. friend is entirely mistaken, so far as the province of Ontario is concerned.

Mr. EMMERSON. How about Toronto, Hamilton and Brantford ?

Mr. BLAIN. I was directing my remarks more particularly to towns and villages. I think I am safe in saying that in every town and village in the province of Ontario the provisions of section 227 with regard to fencing are complied with.

Section negatived : Yeas 24, nays, 34.

Progress reported.

PROHIBITION OF CIGARETTES.

House in Committee on Bill (No. 128), to prohibit the importation, manufacture and sale of cigarettes.—Mr. W. S. MacLaren.

Mr. CLARKE. Might I ask the hon. gentleman who has charge of the Bill to explain the features in which this Bill differs from that introduced 12 months ago. I understood that the legislation of last year was to prohibit the sale of cigarettes to minors, but a great many members of the House who sympathize with the prohibition of the sale to minors do not sympathize with this Bill.

Mr. W. S. MACLAREN. There is practically no change between the Bill introduced last session and the present Bill. The defect in the Bill of last year upon which the Speaker rejected it, was that it should have originated in the Committee of the Whole House. The Bill, however, was the same as this, prohibiting the manufacture and sale of cigarettes.

Mr. CLARKE. I was not aware that it was the same.

Mr. W. S. MACLAREN. Yes, that is correct.

Mr. LANCASTER. Word for word the same ?

Mr. W. S. MACLAREN. That is my impression.

Mr. CLARKE. I had the honour of introducing a deputation of men engaged in the tobacco trade to the Minister of Justice last year. They laid their case before him respecting this or a similar Bill, if I remember correctly. These traders expressed their willingness that a law should be enacted prohibiting the sale of cigarettes to minors ; they do not keep their establishments open for the encouragement of the sale of cigarettes to minors, but they felt that the Bill of last year would be a great injustice to them. The Bill of last year did not give satisfaction to either party, and both were invited by the Minister of Justice to make representations to him, it being thought that by the time the succeeding session of parliament was called it might be possible to prepare a measure that would give reasonable satisfaction to both parties.

Mr. FITZPATRICK. The Bill to which my hon. friend (Mr. Clarke) alludes, was a proposed amendment to the Criminal Code, but unfortunately this present Bill has been introduced on a resolution adopted by a large majority in Committee of the Whole House.

Mr. CLARKE. Was not the deputation last year in reference to a proposal to prohibit the sale to minors ?

Mr. FITZPATRICK. Yes ; under 18, I think it was.

Mr. W. S. MACLAREN. After the Bill was rejected by the Speaker, on account of an informality, the Minister of Justice proposed an amendment to the Criminal Code making it an offence under the code to sell

cigarettes to persons under a certain age, and I think afterwards the minister said that this was not acceptable to those behind this Bill standing in my name, nor were the manufacturers of cigarettes pleased with it. Is that correct ?

Mr. FITZPATRICK. That is correct.

Mr. EMMERSON. The evil caused by the use of cigarettes by minors is recognized throughout the country, and it is beyond doubt that there is a very general desire, both in parliament and out of parliament, to prevent the sale of cigarettes to growing boys. The present measure goes very far ; it prohibits the importation, manufacture or use of cigarettes by any one. I have been a smoker for quite a number of years and I would not feel it a great hardship to be deprived of cigarettes, but at the same time, I recognize the fact that there are very many others, good citizens, who indulge in the use of cigarettes, and, as they think, without any very great injury to themselves. With the permission of the committee, I would suggest a remedy to my hon. friend. I received a letter from a very good friend who is anxious to check the evil in question. This letter, I think, embodies a principle which would most effectually prevent the evil. My correspondant says :

If the smoke debate is not ended before this reaches you, would it do to suggest that a law be enacted whereby no cigarettes can be imported, manufactured or sold in the country as now, put up and sold in packages rolled and otherwise, but in lieu thereof, that cigarette tobacco in bulk may be imported and manufactured and that pure paper for rolling the same in may also be imported, manufactured and sold in the country. That is to say, the boy would have to buy the tobacco and the paper and roll his cigarette before he could smoke it.

Mr. CASGRAIN. He would soon get on to that.

It would be of considerably more trouble to him than now.

Mr. CASGRAIN. He would soon get on to that.

Mr. EMMERSON (reading) :

And the revenue officers could inspect the tobacco so sold and the paper to see that it was free from all impurities. This idea has two points to lessen the evil of cigarette smoking, and would be a law that could be effectually carried out. The dealer would not be in a hurry to wait upon a dirty-faced urchin and sell him two cents worth of tobacco and strip off the necessary paper, and tie it up with a string and give it to the boy. And perhaps the boy would spoil the paper and spill the tobacco in his attempts to roll it. The boy would get tired and so would the dealer. As it is now, the dealer can easily hand over a package or two of cigarettes for five cents. You make a law that would make them both tired and they will soon quit it.

That contains the kernel of a remedy that might well be applied. But, seriously speaking, while I recognize the evil, I do think that the Bill which is now being promoted by my hon. friend goes a very great length, and I, for one, would not feel like supporting it. I was not present at the time the resolution was before the committee. It is true that last session I favoured the resolution. But I did so under a misapprehension as to what it was proposed should follow that resolution.

Mr. COCHRANE. You have had a change of heart.

Mr. EMMERSON. I am always willing to admit a mistake, and I am true to my convictions so far as I can be. I would not give a silent vote on this subject. My reasons for voting against this Bill are that it has too wide a sweep and that the law, even if passed would, in my opinion, be entirely inoperative, because you cannot prevent the smoking of cigarettes by adults, nor would there be any general desire for such legislation.

Mr. WRIGHT. We will try it any way.

Mr. EMMERSON. I presume that it will be tried if the majority favour it. But I do not think it will be successfully tried, and I do not believe in playing at legislation. I do not believe that mere sentiment should rule. There are a good many people, very good people, who are in favour of this Bill. They are actuated by the highest motives, and we ought to respect them. But I think that they are mistaken as to what the law would accomplish. And, because I think the law would be inoperative, the passing of it would be simply beating the air, it would be simply an attempt to play upon sentiment. Therefore, I oppose the measure and wish to put myself on record as opposing it.

Mr. CLARKE. The resolution introduced last year was moved by the hon. member for St. Lawrence, Montreal (Mr. Bickerdike) and seconded by the hon. member for West Huron (Mr. Holmes). I would draw the attention of the hon. member for Huntingdon (Mr. Maclaren) to the debate of last year. So far as I can gather from a hasty perusal of the report, the object these hon. gentlemen desired to achieve was to restrict the sale of cigarettes in the case of minors.

Mr. FITZPATRICK. To control it.

Mr. CLARKE. Yes, to control it. This Bill is more sweeping than the Bill of last year. It surely cannot be seriously contended by hon. members who support this Bill that they can pass legislation that will be effective in prohibiting the importation and sale of cigarette paper to adults who wish to roll their own cigarettes. I sup-

ported the Bill last year to restrict the sale of cigarettes in the case of minors and would be glad to support it this year. But the Bill now before us is altogether too sweeping, as I think hon. gentlemen who support it should see for themselves. Are they going to keep out cigarette tobacco and determine what may or may not be so classed ?

Mr. FITZPATRICK. And what will become of what is already in the country ?

Mr. CLARKE. Apart from that, it must surely be plain that adults who smoke cigarettes would procure the tobacco and the paper if necessary, and make their own cigarettes. There should be good reasons given before we are called upon to vote in favour of such a Bill.

Mr. HOLMES. I think the hon. member for West Toronto (Mr. Clarke) is correct. so far as the legislation of last year is concerned, and the hon. member for Huntingdon (Mr. Maclaren) is wrong. I believe that the law introduced last year was to restrict the sale of cigarettes to minors and it was along that line that we worked. I will admit that this Bill goes further than that of last year. And, while I am prepared to support this Bill I must admit also that I agree with the members who are opposed to it that it is impracticable to prohibit the manufacture, importation and sale of cigarettes so far as adults are concerned. But the object is to get legislation that will restrict the sale of cigarettes. I may say for the information of the House that I have been informed that in the city of St. Hyacinthe they procured provincial legislation similar in character to that which we have been trying to procure from this parliament. That legislation prohibits the sale of cigarettes to minors under certain restrictions. And I am told that the law is effective so far as St. Hyacinthe is concerned, and has practically stopped cigarette smoking there. I admit that this Bill goes further than originally intended, but I suppose it is introduced to meet the wishes of those who are agitating for legislation on this subject. My hope was that the ladies of the Women's Christian Temperance Union would have accepted the amendment to the Criminal Code suggested by the Minister of Justice last session. But, failing that, we are trying to secure legislation that will work out the results desired.

Mr. W. S. MACLAREN. It is not my desire to deceive anybody as to the legislation last year I was quite sincere in what I said about it, and notwithstanding what has been said, I still think I am right. Of course, I am open to conviction. When the resolution was passed last year, and the Bill based on it was rejected, the Minister of Justice offered to introduce an amendment to the Criminal Code making it an offence to sell cigarettes to minors under a certain age. But, what troubles me is why that should have been offered as a compromise if it was exactly what was provided by the Bill of the hon. member for St. Lawrence, Montreal (Mr. Bickerdike). And we are told that this proposal of an amendment to the Criminal Code was rejected by the members of the Women's Christian Temperance Union and the tobacco manufacturers. Unless I am given chapter and verse to prove the contrary, I stick to the opinion I started out with as to the effect of the resolution of last year.

Mr. CLARKE. The objection made by the dealers or retailers of cigarettes was that the person who purchased the cigarettes was not reached by the amendment. They were willing to accept the amendment if the person who, with themselves, violated the law, were required to share the punishment.

Mr. W. S. MACLAREN. But, if the hon. member for West Toronto ((Mr. Clarke) will allow me, what we were discussing was the nature of the Bill of last year. A good deal of emphasis was laid upon the point, by the hon. member for West Huron (Mr. Holmes) and others, that the Bill sought to be introduced last year was not a Bill for the prohibition of the manufacture, importation and sale of cigarettes, but was a restrictive measure with regard to the sale of cigarettes to minors. I am still of the opinion that the legislation sought last year was identical with the Bill introduced this year.

Mr. LANCASTER. I am bound to say that I agree with the hon. member for Huntingdon (Mr. W. S. Maclaren). I do not think there is a doubt that the Bill of last year prohibited the manufacture, importation and sale of cigarettes. What I think has caused the confusion, that it was proposed in another measure to amend the Criminal Code so as to deal only with minors; but the Bill of the hon. member for Huntingdon (Mr. Maclaren), for which I voted and am prepared to vote again this session, was one absolutely to prohibit the sale, importation and manufacture of cigarettes ; and it was on the other matter that the discussion arose mentioned by my hon. friend for Toronto (Mr. Clarke). The matter of dealing with the Criminal Code came in as a sort of result of the measure introduced by the member for Huntingdon. The measure of the hon. member for Huntingdon was exactly of the same nature as is before us now.

Mr. RICHARDSON. As seconder of the resolution introduced last year, I desire to say that I understand the present Bill is of the same character as that introduced last year. The aim and intent of the Bill was

to preserve the youth of the country from the harmful habit of using cigarettes. We had a law in Ontario to prohibit the sale of tobacco to minors, but it was practically useless, as it was not observed in any part of the province; therefore the Bill introduced last year, like the Bill introduced this year, was of a more drastic character and had for its purpose the prohibition of the the importation, manufacture and sale of cigarettes.

Mr. CLARKE. I would like to read a few extracts from the speeches made by the mover and seconder of the resolution which preceded the Bill that was introduced last year. These were the resolutions:

That the object of good government is to promote the general welfare of the people by a careful encouragement and protection of whatever makes for the public good; and by equally careful discouragement and suppression of whatever tends to the public disadvantage.

That the smoking of cigarettes has been proved by overwhelming testimony to be productive of serious physical and moral injury to young people, impairing health, arresting development, weakening intellectual power, and thus constituting a social and national evil.

The legislation licensing and restricting the sale of cigarettes has not proven sufficient to prevent these evils, which will continue while the public sale of the cause of the mischief is permitted to go on.

That this House is of the opinion, for the reasons hereinbefore set forth, that the right and most effectual legislative remedy for these evils is to be found in the enactment and enforcement of a law prohibiting the importation, manufacture and sale of cigarettes.

Now let me read some of the observations made by the gentlemen who moved and seconded the resolution.

Mr. W. S. MACLAREN. Were the gentlemen who voted last year voting on the resolution or on the speeches made?

Mr. CLARKE. They were voting for the purpose of restricting and regulating the sale of cigarettes to minors. If the hon. gentleman will allow me to read some of the statements made by the mover and seconder, I will try to establish what I said. The hon. gentleman who moved the resolution said this among other things:

I shall only lay before the House a few of the many facts that have come into my possession to show the baneful effect of cigarette smoking upon the boys of this country. I believe that if the injury that is being done were known, there would be a unanimous vote of this House in favour of this resolution or of some similar measure. I hope I shall have the majority of this House at my back, for there are very few men who are fathers of boys but have had more or less cause to know the bad effects of this cigarette habit upon boys.

There is no young man or boy but wishes to succeed in life. All want to get along; all want to better their position; success in life, in these days of strong competition, means honesty, temperance and economy. A boy or young man who has these, with good health, must succeed; while, if he lacks them, even moderate success will be impossible. I think, Sir, we are all agreed that the boy who is addicted to the cigarette habit cannot succeed in this country unless he has a very strong 'pull' somewhere, while the boy who is not addicted to that habit does not require any 'pull'—all he wants is the push, and he succeeds in getting to the front. I have with me certificates from the most eminent physicians throughout the country, from the Atlantic to the Pacific, and all these documents go to prove that the cigarette habit, with the boys at least, is very, very injurious. I think there is no hon. member of this House who will say nay to that proposition. I would be the last man on the floor to attempt to interfere in any way with the rights of the subject. Once a boy has come to the age of maturity, he has a right to do as he pleases. All I wish to do is to introduce some measure that will protect the boys from this very bad habit of recent years—for, Mr. Speaker, it is only of recent years that it has taken such a hold on the country.

Then the hon. member for West Huron (Mr. Holmes) who seconded the motion, spoke on the same line. He said:

The mover of the resolution stated clearly at the outset that the intention is to reach the young, so far as it is possible, to reach those who are of immature years, those who have not attained their full physical development, those upon whom the evil effects of cigarette smoking are perhaps more apparent than they are on people of more mature years. I contend that the use of cigarettes by children is injurious. We have not only to quote the opinions, as I will give them later on, of a number of medical authorities thereon, but I have taken the trouble to ask medical men myself since I have been in Ottawa and elsewhere as to the effect of cigarettes on children, and they assure me that their use is very detrimental indeed, detrimental both from the moral and physical standpoints, that it destroys the intellect and prevents the development of their physical nature.

I need not quote any more from these speeches because they are filled with similar arguments. The object hon. gentlemen were aiming at is one with which we all must sympathize, that is, to prevent the sale of cigarettes to the children. Those who are in the trade were willing to have an amendment made to the code provided that it punished those who bought cigarettes as well as those who sold them.

Mr. L. P. DEMERS. (Translation.) Mr. Chairman, I desire to call the attention of the committee to an article published, on 15th of June, by the Montreal 'Gazette.' Without participating in that newspeaper's views on all questions, it must be admitted that it is one of the serious papers of the

country. Here is what the 'Gazette' says. The title of the article is 'A Mischievous Measure':

The anti-cigarette Bill has passed its second reading in the House of Commons. There has been a disposition in parliament to treat the thing as a joke. It is very far from a joke, however, to interfere with a branch of trade and the liberty of men who choose to use tobacco to do so in whatever form they like. The Bill not only proposes to destroy a trade and to curtail the liberty of the subject, but if it is passed it will establish a precedent meddling and ill-informed people would advance as an argument for further invasions. Not a word that was said in parliament by the promoter of the Bill justified its passage. It has received no support outside of parliament to indicate that there is even a mistaken general sentiment in its favour. It is not creditable to parliament that it has been allowed to progress so far. It should be dealt with when next it comes up in a manner that will discourage all advocates of such meddlesome legislation, of which the country is getting far too much.

I think, Mr. Chairman, that the writer of that article has perfectly defined the situation. This measure tends to destroy an important branch of business in this country. We have flourishing establishments that manufacture that article, and which thereby carry on a legitimate trade. Moreover, that trade has been in existence among us for a number of years. Capitalists have risked considerable means in it, and these merchants would find themselves, from day to day, ruined without they were indemnified for such outlay, for there is no provision against the loss that they would have to suffer.

But the second point, in which the writer of that article reasonably dwells, is that the projected law militates against individual liberty in decreeing the interdiction of the use of cigarettes. If that interdiction were confined to minors, that is to say to those who are not yet sufficiently formed to make use of cigarettes without being exposed to grave risks, perhaps less objection might be found to it. But, I think, the passing of a general law of this kind would constitute an encroachment on the liberty of the subject.

We are at liberty to use all things that providence has vouchsafed to give us. It is not because certain persons abuse thereof that all others should be deprived of using them. Why make the greater number suffer on account of the lack of forethought in the smaller number? Formerly such was the case, but in our modern days that doctrine is rejected. It is to lessen the freedom that the very Author of nature, in according us a free will, allows us to enjoy. The same argument applies in the case of intoxicating liquors. Should every person, all who make a proper use thereof be deprived of it, because there are people who make an abuse of such liquors? To smoke cigarettes cannot be considered an evil, and if our neighbour prefers not to smoke them, it is his own business; but it does not thence follow that he has a right to demand a law for the proscription of the use of cigarettes. We might just as well prescribe the diet that each one should follow at his evening meal, in the pretext that there are people who eat too much, and who thereby injure their health. In pretending that the use of cigarettes is hurtful to some and that, for such reason, it must be forbidden, we might adopt the same line of reasoning in regard to eating and drinking. By such a regulation fine results might be obtained, such as, for example, the amelioration of constitutions and the fortifying of the health of His Majesty's subjects; thus might a vigorous people be formed. But that would savour of the arbitrary. Arbitrary laws invite the public to violate them and no good can result from them.

This is the exact position that the federal parliament assumes, in passing a law that declares that people shall no longer have the right to smoke cigarettes. That is something outside our jurisdiction. Such a law might be violated because it is contrary to the natural rights of each citizen. We have no right to encroach upon individual liberty unless it be for the benefit of the community. What advantage is there for the community in the preventions of those who can smoke cigarettes from so doing? It is arbitrary. As well say that only a certain quantity of meat will be allowed us for eating. It is therefore a good advice that the 'Gazette's' correspondent gives, and it might equally be applied to prohibition. What shows that such laws are not observed, is the fact that everywhere prohibition has been adopted, it has been subsequently repealed. Every one knows that in certain states of the American Union, where intoxicating liquors are prohibited, the law is violated and that there are more disorders noticed than are found in other places where the sale of liquors is under control. Why is it so? Because such laws are antagonistic to individual liberty, and we may rely that whenever a law encroaches upon that liberty it is sure to be violated.

I, therefore, believe that the person who wrote that article in the 'Gazette,' gave the Canadians excellent advice, and I hope that parliament, after having heard the very wise observations of the members of this House and especially of the hon. member for Toronto (Mr. Clarke)—now that we enter upon the merits of the question—I hope, I have said, that the majority will differ from that which adopted the principle of the Bill at its second reading.

I think that the House, after having reflected on the question, should not adopt a proposed law such as that presented by the hon. member for Huntingdon. It would be the creation of a bad precedent.

Mr. W. S. MACLAREN. I am very pleased to find my hon. friend (Mr. Demers) and the 'Gazette' agreeing in something. The 'Gazette' is mistaken in the statement that there is no interest in this Bill taken outside of a very few. The 'Gazette' would not be as apt to know regarding such a matter as I would be myself. It is not my intention to discuss the matter at any greater length. The resolution proposed last year was adopted and carried two to one in this House. The Bill was introducel by myself, went through its second reading and was carried by a majority of 128 to 52. I am content to leave the matter before the House. I am prepared for a vote at any time.

Mr. HOLMES. I would like just to set myself right. My hon. friend from Huntingdon (Mr. Maclaren) was right in so far as the nature of the Bill was concerned. It was a general Bill restricting the importation of cigarettes but the whole trend of the discussion was along the lines indicated by the hon. member for West Toronto (Mr. Clarke).

Mr. MONK. I would like to say to my hon. friend from Huntingdon (Mr. Maclaren) that I think he is right about the measure introduced last session.

Mr. FITZPATRICK. I have a copy of the Bill here.

Mr. MONK. I see that the resolution, after relating to the extent of the evil, contains this paragraph:

> That this House is of the opinion, for the reasons hereinbefore set forth, that the right and most effectual legislative remedy for these evils is to be found in the enactment and enforcement of a law prohibiting the importation, manufacture, and sale of cigarettes.

It was very general. The House was not disposed to vote for such a sweeping measure and I think it is a pity that those interested did not accept the proposition made by the hon. Minister of Justice that the government was ready to amend the criminal code in such a way as to prohibit the sale of cigarettes to minors under the age of eighteen. I voted for this resolution introduced last year by the hon. member for Montreal, St. Lawrence (Mr. Bickerdike) and so did the hon. Minister of Justice. But, I was convinced after the discussion that we should limit the scope of this legislation. I think it is a great pity that the suggestion was not adopted particularly in view of the very lengthy discussion that took place last year. I am ready to vote for any measure which will prohibit the sale of cigarettes to minors, and I think an amendment to the Criminal Code would certainly to a very large extent attain the object which we all have in view. The measure is evidently too sweeping to have the approval of the House and under these circumstances I think it is a pity that the hon. member for Huntingdon has introduced it. I for one am not disposed to encourage it though I quite agree with and approve of the subject he has in view.

Mr. HENDERSON. I do not claim to have a memory that will recall everything that takes place in this House ; in fact, I am very thankful I have not because there are many things said here perhaps that it is as well to forget. I have, however, a very distinct recollection in regard to the measure introduced last year by the hon. member for Montreal, St. Lawrence (Mr. Bickerdike). It was, I believe, in the nature of a resolution which squarely set forth the fact that the object was to prohibit absolutely the importation, sale and manufacture of cigarettes. Now, that may be a very drastic measure. We have nothing to do now with the Bill introduced last year. We are dealing with the measure that has been brought before the House this year by the hon. member for Huntingdon (Mr. Maclaren) and whatever the measure last year contained it will not have any special bearing upon the vote that we will be called upon to give to-night, as to whether we are prepared now to pass a Bill absolutely prohibiting the sale, manufacture and importation of cigarettes. It may seem a very drastic measure, but if I can gather anything at all from the sentiment of the country as shown by the many petitions presented to this House and also by the vote that has already been given by this House on the Bill which is now before us, on the occasion of the second reading, the sentiment of the whole country is that those who have arrived at a mature age are called upon to give up something that they might desire to practice in order to save the young generation from a habit which everybody admits is pernicious and injurious. That seems to be the meaning of the vote that was given a short time ago and that seems to be the sentiment of the country. I have no hesitation in saying, viewing it from that light, that I am prepared to support the clause of the Bill which is now before the committee and shall vote for it as well as the subsequent clauses if they are submitted to the committee.

Mr. WRIGHT. Mr. Chairman, as far as I am concerned, I am not caring very much whether this Bill is identical with the Bill introduced last year or not. I am under the impression that it is the identical Bill. But, we have not to do with what was introduced last session. What we have to do with now is what is before us to-night and as far as I am concerned I am anxious that the Bill now before the committee shall become law. Every one in my constituency

with whom I have spoken is exceedingly anxious that this kind of legislation shall be passed. I am firmly of the opinion that this is the kind of legislation that the women of the Women's Christian Temperance Union are anxious to see passed through this House. One hon. gentleman tried to make it appear that the fact of this Bill being before the House was merely a joke. I can assure that hon. gentleman that if he had a son, if he had a young boy whose health was undermined, whose mind was being destroyed and whose physicians had told him that the continuous smoking of cigarettes was the cause, I do not think, if he were the father of a son of that kind, he would think this very much of a joke. On the contrary, he would think it something that this country should take seriously into consideration. In my own town the habit of cigarette smoking prevails to a tremendous extent. I do not know that there is a town in the country where the habit of cigarette smoking has made such tremendous strides within such a short space of time. In supporting this Bill I have the sympathy of the teachers, the preachers, and the leading people of my constituency who are anxious that this Bill should become law and therefore I shall be pleased to support it.

Mr. PARMELEE. Mr. Chairman, I would like to say one or two words upon this subject before the vote is taken. I regret very much that my hon. friend from Huntingdon has introduced a Bill which goes, in my opinion, altogether too far. It does not seem to me that there is any more reason for totally prohibiting the importation, manufacture and sale of cigarettes than there would be for applying the same prohibition to the manufacture and use in all forms of tobacco. I presume that everybody practically admits that the use of cigarettes by growing boys is calculated to affect their nervous system and in some cases, if carried to excess, to undermine their constitution and ruin their health. Last year when this question was before the House, I was very much impressed by the dispassionate statement by the hon. member for Montreal, St. Antoine (Mr. Roddick), who pointed out very clearly from medical testimony of the highest character that the use of cigarettes by young people was injurious. But, on the other hand he stated with equal emphasis that as far as the medical profession was concerned they did not consider the use of cigarettes or tobacco in any form in moderation to be injurious to the average man. For my part, I do not believe in the efficacy or in the utility of trying to make men good by Act of parliament. I believe that if boys are going to be trained in the way they should go you should not propose to come here and do it but that you should go into your own home to do it and if occasion needs, spank the boy instead of endeavouring to put upon the statute-book legislation which would be carried out more in the breach than in the observance. It does not inure to the dignity of this parliament or to the respect which the people ought to have for the law to enact legislation of that kind, and I think my hon. friend would have done far more good if he had limited himself to an effort to place on the statute-book an Act restricting the sale of cigarettes to young people. For my part I cannot perhaps set my face against all the testimony but I go about the country a good deal, I keep my eyes open and I fail to see such an enormous consumption of cigarettes as some hon. members in this House pretend to see and as some of the people who have petitioned us claim to exist. I have nothing but kind words to say of the good women who have taken it upon themselves to push this movement. I believe they have a perfect right to do it but I believe that their fears have been excited, that they perhaps have gone too far and that they exaggerate the extent of the evil, because in the rural parts of the province of Quebec the sale of cigarettes is almost unknown. I hardly think my hon. friend from Huntingdon is an authority on this question, for I believe he is a non-smoker himself, but I can tell him that you can go into any store in the American cities and buy ten little cigars for a dime, and they are not such bad cigars either.

Mr. CLARKE. What are they made of ?

Mr. PARMELEE. They are not too bad : I have smoked them myself. One of the arguments used as to why we should prohibit cigarettes is because they are so cheap that the small boy with five or ten cents in his pocket can go into a tobacco or drug store and buy a package, but suppose this law should be passed, and even suppose it should be enforced, then it is reasonable to assume that the ten cigars for a nickel will take the place of ten cigarettes for a dime. For my part, I would be strongly in favour of something like the amendment to the Criminal Code introduced by the Minister of Justice last year. I think that goes far enough, although I am afraid that there might be some difficulty in enforcing even such a provision. I understand that anti-cigarette legislation has been passed in a number of the states of the union, but I have never seen any proof advanced here or elsewhere that it has achieved the results hoped for by those who exerted themselves to have it placed upon the statute-book. I regret that any boy should use cigarettes even moderately ; indeed tobacco in any form should be used by young men only in great moderation, because in these days of keen competition it requires all the energy and all the nerve force our young men possess to enable them

to win in the battle of life. Unlike a good many of my fellow-members, I have not to go back upon the vote which I gave last year. I believe that a large number of hon. gentlemen voted last year for this resolution believing it to be a joke, or at all events believing that it would never reach a serious stage in the deliberations of this parliament, and now they have to reconsider their votes.

Mr. W. S. MACLAREN. I do not look upon this as a joke, nor have I from the start. I took no part in the debate last year, and I do not see why the women of the Women's Christian Temperance Union asked me to take charge of the Bill this year; but they did, and I at once consented. I did not know much about the matter at the time, but I have given it some thought since, and I can say that I am more in earnest about it now than I was at the start. I am thankful to the members who to-night have spoken so kindly in regard to these ladies who have charge of this matter, though I must say that in a former debate they were not so gently dealt with. There are 404 branches of the Women's Christian Temperance Union, having about 12,000 members. Last year some hon. gentlemen who spoke about these ladies suggested that they should start cooking schools. I want to know who it is that carry on the cooking schools throughout Canada at the present time. If the hon. gentleman from Toronto (Mr. Osler), who referred to the cooking schools last year, would look around him he would find that the ladies who were carrying on the cooking schools in the slums of Toronto are the ladies of the Women's Christian Temperance Union and the Young Women's Christian Association.

Mr. CLARKE. And in the absence of my hon. friend (Mr. Osler), I may say that there is no more generous supporter of that movement in Canada than he is.

Mr. CLANCY. And probably the hon. gentleman (Mr. Maclaren) might administer a rebuke to the Prime Minister, who repeated the same language.

Mr. W. S. MACLAREN. I do not suppose the remark was intended to be offensive in either case. At all events, I know that these women who are advocating this Bill are acting in the best interest of the young people of Canada. I believe that there is a law in every province except Quebec prohibiting the sale of cigarettes to youths, but I do not think it has been found to be effective, and that being so, it was thought that it was necessary to have what is called the more drastic legislation incorporated in this Bill.

Mr. ROSS (Victoria). The argument is very stale, that you cannot make people better by Act of parliament. If that argument were carried into effect, then the greater part of our Criminal Code would not be in existence. We know that there is a generation of young people growing up at the present time, feeble in intellect, feeble in constitution, feeble in growth, and this altogether owing to the use and abuse of cigarettes. Those who oppose this legislation are people who use tobacco, and who probably use it to no good purpose. The best minds in this Dominion owe the member for Huntingdon a debt of gratitude for introducing this Bill, and he is supported by the best Christian people in the Dominion. Whether this Bill becomes law or not, its introduction affords proof that there is a party in this parliament who are anxious that this evil should be removed. I have great pleasure in supporting this Bill, and I would be delighted to see it become law. I can tell the House that if it does not become law this session the force of public opinion will cause it to be placed on the statute-book before long, and hon. gentlemen will find that their vote to-night will become a live question when they next appeal to the people.

Mr. KAULBACH. I believe in the principle of this Bill, but at the same time I am inclined to think that it is too broad in its scope, inasmuch as it would prohibit adults who are accustomed to the use of tobacco from smoking it in this form. I believe that every effort should be made to prevent our youths, those under the age of eighteen let us say, from using cigarettes. Should they not smoke until they attain that age, it is no more than likely that they may refrain from cigarette smoking ever afterwards. Even if this Bill should become law, there are various methods by which its provisions could be evaded. If the Bill went so far as to prohibit the use of tobacco in any form by young men under the age of eighteen years, or even under twenty-one years, I think it would be more beneficial. I read the other day the statement by a magistrate whose duty it was to try juvenile offenders for various forms of crime, and he claimed that out of 500 whom he tried 90 per cent of those convicted had been addicted to the use of cigarettes. In view of such strong evidence it behooves us to use every effort to prevent boys under the age of eighteen from using tobacco in any form. It is my opinion that a great deal can be done by clergymen and by those public spirited women, who have taken a great interest in this matter, and who are deserving of a great deal of credit for their efforts towards the protection of our young men. If they were to form an anti-smoking society amongst young men, and if the employers of labour joined with them in making a rule that they should not engage young men who used cigarettes or tobacco in any form, a great deal of practical good would be accomplished. I merely make this suggestion in the hope that the women, if they have not thought of if in the past, may consider it seriously, and adopt a method of that kind.

Section agreed to : Yeas, 50 ; nays, 27.

On section 2,

2. No cigarettes, cigarette papers or wrappers shall be imported into Canada or entered for consumption therein, and all cigarettes, cigarette papers or wrappers, or papers intended as such, shall be subject to seizure by any officer of customs or inland revenue ; and they, with the packages in which they are contained, shall be subject to be seized and forfeited to His Majesty, and shall be disposed of under regulations made by the Governor in Council.

Mr. FITZPATRICK. I understand that the people of this country are to be told, by formal Act of parliament, that children of any age may use tobacco in any form except in the form of cigarettes. That, I understand, is the effect of the legislation which we are now passing. I cannot concur in that.

Mr. SPROULE. I think the important objection to this provision is the impossibility of carrying it out.

Mr. FITZPATRICK. We will create a race of hyprocrites.

Mr. SPROULE. The question is what are cigarette papers or cigarette wrappers. A great deal of the paper used for cigarette wrappers is merely paraffine paper which is used for putting up powders, and can be got in any drug store in the country. Ordinary cigarette paper is rice paper ; but where rice paper is used once, I venture to say that paraffine paper is used a dozen times, and it can be got at any drug store and can be put up by any one. So that it seems to me that it is impracticable to enforce this Act, because it is impossible to define what is cigarette paper. Half a dozen kinds can be used for the purpose.

Mr. CLARKE. If parliament is to protect the children of this country against the evil of smoking cigarettes, we should have an amendment made to the Criminal Code such as was attempted by the Minister of Justice last year. He failed in that attempt because neither party was satisfied. If the gentlemen who support this Bill would unite in asking the Minister of Justice to frame an amendment to the Criminal Code so as to punish not only those who sell cigarettes but those who purchase them for the use of minors, that would be a practical measure which I think would be effective. To prohibit the importation of cigarette paper and to allow the cigarette tobacco to be imported and sold seems to me to be a fatal defect in this Bill. We all agree that boys ought to be prohibited in some way from smoking cigarettes, and I think such an amendment to the Criminal Code would go far to put an end to this great evil. You must punish both the purchaser and the vendor if you want an effective measure. I would suggest that the gentlemen promoting the Bill will unite in asking the Minister of Justice to frame an amendment to the code which will carry out the object which these very estimable ladies have in view.

Mr. KAULBACH. I agree with the hon. member's suggestion that an amendment should be made in the Criminal Code to prohibit the sale of both cigarettes and cigarette tobacco to minors.

Mr. W. S. MACLAREN. I have only to say that I am not the maker of the Bill. It was framed at the request of those promoting it, by a firm of solicitors in this city. After it was placed in my hands, I submitted it for my own satisfaction to another firm of solicitors in whom I had confidence, and they endorsed it. If the feeling of the House is that it should be amended in any way, we will argue the amendment ; but so far as the Bill is concerned, it is my intention to push it through to the end ; and after it is made law or defeated, if the Minister of Justice can then frame an amendment to the Criminal Code to suit both those promoting this Bill and those opposed to it, I will have no objection.

Mr. FITZPATRICK. I should then be asked to make something criminal which it would be impossible for any one to do if this legislation passes. It seems to me that we should be informed what is the object which those promoting this legislation have in view.

Mr. W. S. MACLAREN. I understand that in every province except the province of Quebec, restrictive legislation was passed. It was found that that was not effective in reducing the use of cigarettes. I am not a lawyer, unfortunately ; I suppose that if I was I might be able to argue these law points with lawyers, learned in the law, but I am advised that this provincial legislation was not effective and that in fact some questions as to the constitutionality of the provincial Act arose after that judgment given on the Lord's Day Act. When those in favour of such legislation found this provincial legislation practically a dead letter and not enforced, they thought they would take a stronger measure and secure the prohibition of the manufacture, importation and sale.

Mr FITZPATRICK. Then I understand the object is to prohibit the importation, manufacture and sale of cigarettes ?

Mr. W. S. MACLAREN. Yes.

Mr. FITZPATRICK. How far are you going in that direction by this legislation, Mr. Chairman ? The tobacco can be introduced into the country and you are prohibiting the importation of cigarette paper or cigarette wrappers. Now

what is cigarette paper or a cigarette wrapper? Is there anything in this Bill to define them? How are you going to reach the people who introduce the paper into this country from which cigarettes may be manufactured? You should supply a definition of these words so as to be able to proceed against any person who imports it. After all we are not here simply to enact legislation for the mere purpose of putting it on the statute-books. Let us see what we accomplish by what we do. I want to see how far by the aid of this Bill the object in view would be accomplished. It cannot be accomplished by the Bill in its present form and if it cannot be accomplished by the Bill in its present form why should we waste our time on it?

Mr. CLARKE. The Minister of Justice has said that the aim, no matter what the wording of the Bill of last year might be, was to provide legislation to protect the children of this country from the injurious effects of cigarette smoking. Let me quote again one or two sentences in support of what the Minister of Justice has said to show that. The mover of the Bill (Mr. Bickerdike) last year said:

> Once a boy has come to the age of maturity, he has a right to do as he pleases. All I wish to do is to introduce some measure that will protect the boys from this very bad habit of recent years.

That is the statement of the hon. gentleman who proposed the resolution last year. The hon. gentleman who seconded it was equally to the mark and equally clear. He said:

> We are not arguing from the standpoint of those of mature years, but from the standpoint of the bearing of this question on the youth of Canada.

There is a consensus of opinion, it cannot be questioned, that the excessive use of cigarettes is disastrous, physically, morally and mentally to children, and every one will sympathize with legislation that will mitigate that evil. I believe that can best be done by an amendment to the Criminal Code as suggested last year by the Minister of Justice. But the Minister of Justice pointed out afterwards that this legislation had not met with the approval either of those who desired to restrict the sale, or of those who were engaged in the manufacture and sale of cigarettes. It was pointed out by dealers that while they could be punished for selling to minors, those who came in to induce them to break the law escaped scot free.

Mr. COCHRANE. That is no argument.

Mr. CLARKE. It is a practical argument. It has been found in connection with the Ontario law that there are adults who are mean enough to purchase cigarettes for children and give them to children. It has been done again and again. It would not be fair under those circumstances to hold the dealer alone responsible. If the person who aids the child in purchasing the cigarettes was made amenable to law there would be a strong forward movement in the direction we desire, but this legislation will not accomplish its object, and that is the reason I oppose it. If we pass this legislation the tobacco will be rolled into cigarettes by some one, and the children will continue to use them.

Mr. W. S. MACLAREN. I am not an expert on tobacco and I would like to ask if there is any difference between cigarette tobacco and ordinary cut tabacco?

Mr. CLARKE. It is much finer, as the hon. gentleman knows.

Mr. W. S. MACLAREN. A gentleman behind me says no.

Mr. CLARKE. I speak of course subject to correction; I am not a cigarette smoker; but I am satisfied that tobacco is specially made for cigarette use.

Mr. FITZPATRICK. Whether it is or not you can use it.

Mr. CLARKE. It does not affect what I said, because if any kind of tobacco can be rolled into cigarettes, we are not accomplishing anything.

Mr. FITZPATRICK. As I understand the injurious effect of cigarettes results from the paper used in their manufacture, not from the use of tobacco. We admit that tobacco is not noxious in itself. It is allowed in every form but we are here saying that cigarettes are not to be used because of the paper used in connection with their manufacture. What are we doing? That paper which is supposed to be deleterious when used for the purpose of manufacturing cigarettes, is not to be imported, but any other deleterious paper, even if it is absolutely noxious may be imported and may be used. What do we mean? What are we trying to get at? It seems to me we are not serious in this matter.

Mr. W. S. MACLAREN. Oh, yes.

Mr. FITZPATRICK. We are serious? Then, we are incapable because we are not accomplishing the object we have in view.

Mr. MACKINNON. I should like to ask a question of the Minister of Justice. When the question of the liquor Bills came up before parliament and was referred to the Privy Council the question of jurisdiction was at issue. I would like to ask the minister whether the Dominion parliament can prohibit the sale of cigarettes. I understand the provincial parliaments have passed the prohibition laws, and I would like him to explain whether the prohibition of the sale of cigarettes comes within the jurisdiction of the provincial parliament or of the Dominion parliament.

Mr. FITZPATRICK. I do not think there is any question about that. I think there is no doubt about our power to pass this legislation.

Mr. ALEX. JOHNSTON. Might I ask the member who has the Bill in charge (Mr. Maclaren) whether he has any information to the effect that any serious effort has ever been made to enforce the laws on this subject now in existence in Nova Scotia, and if so what is the nature of that information ?

Mr. W. S. MACLAREN. I have no information as regards Nova Scotia. I have as regards Ontario. They have tried to enforce it there but since this judgment on the Lord's Day Act there has been a good deal of feeling in regard to the question whether the legislation passed there was constitutional. There have been prosecutions in connection with the local Act but I cannot say how far they have gone or what success there has been.

Mr. ALEX. JOHNSTON. It seems to me that it has been made abundantly clear that for the present time this is not an effective measure, and will fail to bring about the results desired by those supporting it. For my own part I have no very strong convictions with regard to the manufacture, sale, and use of cigarettes ; am not a user of tobacco. But if I read this statute correctly I am satisfied that the passing of this Act is not going to prevent the boy of this country smoking cigarettes, and it is for this reason I think that this measure should not become law. If we are serious about this matter let us introduce legislation that will be effective. Those who are earnestly desirous of accomplishing reforms —I am myself desirous that they should be brought about—should introduce only measures that would be effective, not half effective in bringing about the results desired.

Mr. WM. ROSS (Victoria). Might it not be better for the Minister of Justice to give us the aid of his judicial mind in making this Bill perfect and not be raising legal and technical objections against it ? The majority of this House is in favour of this Bill, and he admits that it is not perfect in its present form. Then let him, by his experience and his judicial mind, give us the assistance he can to make it perfect.

Mr. ALEXANDER JOHNSTON. With my hon. friend's permission, I would like to ask him a question. In his judgment, are the majority of this House opposed to the importation and manufacture of tobacco in any form ?

Mr. WM. ROSS (Victoria). Judging by the vote given here to-night, there is a decided opinion of the House in favour of the Bill, and I would desire to see the Bill made more perfect.

Mr. ALEXANDER JOHNSTON. But I am talking about tobacco generally ?

Mr. WM. ROSS (Victoria). I am like my hon. friend from Cape Breton (Mr. Alexander Johnston) and do not use tobacco in any form, and I believe that the world would be much better if nobody used it.

Mr. GALLIHER. I had not intended to speak on this Bill. but in view of the discussion that has taken place, I would like to say a few words. I am not a cigarette smoker, but I do enjoy tobacco through the medium of a pipe or cigar. I know how I should feel if legislation were being introduced, or attempted to be introduced, to deprive me of the pleasure I derive from smoking my pipe ; and those who prefer taking their tobacco in the form of a cigarrette, I think, have an equal right to object to our placing any restriction upon their liberty. I quite agree with the principle of applying the Act so far as concerns children under a certain age. But, for one, I do not think any person has the right to say that a man who is of age and capable of judging for himself shall not smoke cigarettes, any more than he has a right to say that a man shall not eat certain kinds of food. You might as well legislate in one way as in the other, for there are certain kinds of food that are harmful to certain constitutions, just as cigarettes are, and one can ruin his constitution by over-eating as well as over-smoking. I presume that the object of those who support the Bill is to stop the smoking of cigarettes in Canada. If I understand the King's English, this Bill, if passed, will have no such effect. By this Act we simply prohibit the sale of the cigarette, in its manufactured state, and also prohibit the importation of proper cigarettte paper. There is nothing here with regard to tobacco. You can bring in the cigarette tobacco and use any paper—

Mr. FITZPATRICK. Newspaper.

Mr. GALLIHER. As the hon. minister suggests, you can use newspaper, or you can use a brown paper that may answer the purpose instead of the regular cigarette paper.

Mr. FITZPATRICK. You can poison all the children in the country with it.

Mr. GALLIHER. There is no question about it, the Bill will not have the effect that the promoters of it desire. As to what was said by the hon. member for Victoria (Mr. Wm. Ross) that the Minister of Justice should suggest amendments, I do not know that that is what the Minister of Justice is here for.

Mr. WM. ROSS (Victoria). He condemns the Bill.

Mr. GALLIHER. As I condemn the Bill, because it is a useless Bill. After all, the argument used in support of this Bill is that it will protect the children. Well, so far as that is concerned, I support such legislation, but I believe the best way to embody

it is in the amendment to the Criminal Code which the Minister of Justice offered last session to bring in. But, as to making this applicable to grown men, I believe that object cannot be effected, and so I shall vote against the Bill.

Mr. BOURASSA. I have received several petitions from my county from that worthy organization that has been several times referred to, the Women's Christian Temperance Union. I may state here what I said in answer to the petitioners, to whom I gave my reasons why I would vote against this Bill. I sympathize with the object of these ladies, and my reasons for opposing this Bill is that if I helped to enact such a law, I should be helping to do the very contrary of what they really want. I go further than some of the opponents of the Bill and say that this will not prevent the use of cigarettes by young men, but it will develop the habit of smoking bad cigarettes by young children. As an opponent of the smoking of cigarettes by children, I will vote against the Bill, because I know by experience that when boys cannot get cigarrettes made with proper paper, they do not buy their tobacco in the form of a small cigar, as one hon. gentleman mentioned, but they buy the cigarette tobacco, and wrap it for themselves. As everybody knows the obnoxious effect of cigarettes is not produced by the tobacco, but by the paper, and so, in France, for example, where the manufacture of cigarettes as well of cigars is under the control of the government, they have very careful analyses made of the paper for cigarettes by chemists of the school of science. And the result is that, of all the cigarettes used the French and the Belgian are the least obnoxious. What is proposed here is not progressive legislation, but the most retrogressive legislation that well could be. I will vote against it because I am in sympathy with the movement started by the Women's Christian Temperance Union, and which the hon. member for Huntingdon is in good faith supporting and which I believe will be defeated if this Bill should pass.

Mr. FITZPATRICK. So far as I am concerned, I am opposed to the use of tobacco by children in any form. I am likewise opposed to an attempt being made to interfere with the liberty of individuals. If it is legal for a man to use tobacco in his pipe or in the form of a cigar, I see no reason why those who do use it in that form should say that a cigarette smoker should be prevented from using it in the form he prefers. That is the second objection. And the third objection is that this Bill defeats the very object the hon. gentlemen have in view. Instead of aiding the children, you would put in their hands cigarettes of inferior character, you will oblige them to use a cigarette which will be very much more deleterious in its effects than the cigarette now sold. If we are in earnest in this matter and if we are considering this Bill seriously, some answer should be given to these objections.

Mr. W. S. MACLAREN. I understand the force of the remark made by the Minister of Justice. But what troubles me in connection with this matter is that before cigarettes were introduced in this present form there was not the same use of tobacco by people of tender years. They did not make cigarettes in those days, when they had just as much fine paper to do it with and just as much fine cut tobacco. When those cigarettes were brought in in this particular form, and put into a nice little box with a picture on it, then the use of cigarettes began. I think if you asked 100 boys of this country how they commenced to use tobacco you would find that 90 per cent of them, perhaps 99 per cent, would say that they commenced with the use of cigarettes. Now before these cigarettes came in they did not roll them up in this way. Probably now that people have got a taste for fancy cigarettes they will follow it up by making them out of all kinds of dirty paper. But to my mind, driving out cigarettes as made in the country at the present time, I am satisfied will diminish the use of tobacco by those of tender years, and that is why I am supporting this legislation.

Section 2 agreed to, yeas 39, nays 25.

Mr. FITZPATRICK. It is easy to be virtuous at the expense of your neighbour.

On section 3,

Mr. FITZPATRICK. Surely we have reached the limit. Before sending people to jail for a year, I hope some one will tell us what is meant by cigarette paper. If it is to be a crime incurring a fine and imprisonment for a year to import cigarette paper, surely we ought to be told what is meant by the words 'cigarette paper.' The time has come when we ought to consider whether we are in earnest or not.

Mr. L. P. DEMERS. (Translation). I believe that the one who ought to be punished is he who being addicted to the cigarette habit, would refrain from smoking cigarettes in the future, because he is afraid he is going to be fined. It is an axiom of natural law that nobody is bound to obey an unjust law. Therefore, instead of placing upon the statute-book such a penalty as is suggested, it should be enacted here that any one who, being addicted to the cigarette habit, abstains from smoking cigarettes, because he is afraid of breaking the law, shall be liable to be fined.

Mr. FITZPATRICK. Will some one please give us information to enable us to understand what is meant by cigarette paper. Is there any such legislation as this on any statute-book in the world ? Where is such legislation as this to be found ?

Mr. W. S. MACLAREN. I am not so familiar with the statutes as my hon. friend.

Mr. FITZPATRICK. That is all very fine, but the hon. gentleman ought to be familiar with what he is trying to do. Surely we are entitled to some information about it.

Mr. SPROULE. The Minister of Customs will define that.

Mr. FITZPATRICK. It is not the Minister of Customs. Any magistrate in the country may send a person to prison for a year, any country magistrate.

Mr. SPROULE. We merely declare what the law prohibits.

Mr. GUTHRIE. There ought to be some definition of a cigarette in this Bill. I am a habitual smoker of cigarettes, one of those sad examples of stunted growth. I think for the sake of public protection we ought to have cigarettes defined. I do not, as a rule, buy them, I make them with my own hands—I do not know whether I would be considered as a manufacturer or not. But unless there is some definition of what is a cigarette, I think the Bill is very misleading. A cigarette of the same size as the ordinary cigarette, is made with clear tobacco, the purest kind of tobacco and no paper at all is used in its manufacture. Now is the law to exclude such an article ?

Mr. GALLIHER. Let us consider this matter seriously. Take section 3 of this Bill—there is no definition of what a cigarette is in the Bill, there is no definition of what cigarette paper is in the Bill. Now who is to decide ? We might have on the bench a magistrate who is a perfect crank, opposed to smoking in any form. A person is charged with selling some paper which is termed cigarette paper—who decides that ? There is no definition in the Act itself. It is left to one man who, as I say, may be a crank on the subject, left to him to decide whether there is a contravention of the Act or not ; and in his hands is placed the power, on his own interpretation, of sending a man to prison for a year. I think we ought to consider what we are doing before we go any further. At all events, if we are going to pass this Bill, let some person who is fathering the Bill, or supporting it, propose some amendment to define what cigarettes and what cigarette papers are. Let us not put ourselves at the mercy of any man who may be sitting as a magistrate to say that the liberty of the subject may be taken away for a year because that magistrate considers that a certain brand of paper is cigarette paper.

Mr. LANCASTER. It seems to me that some hon. gentlemen are going very far in trying to frustrate the object of this legislation. An Act was passed here a little while ago applying to traders, and when I asked what the word 'trader' meant, I was told that a court and jury would define that. This Bill is to the same effect. We are making an act a criminal offence, and we are now told we ought to define what certain things are. Some hon. gentlemen are more particular now than they have been in respect to other matters. I am particularly anxious to pass this section as it stands. If we cannot accomplish the absolute prohibition of an evil that everybody wants to see destroyed, at least we can take a step in the direction of accomplishing it. If we can at any time accomplish it we ought to do so in the interest of this country. It will not do any harm to stop the importation of this material with that object in view and if people are going to be so afraid that they are going to punish for importing cigarette paper because of the want of a definition of it in this Bill the less will be the material imported out of which boys can make cigarettes.

Mr. GALLIHER. They can buy it at any store.

Mr. LANCASTER. This House has declared in favour of this measure.

Mr. GALLIHER. Not yet.

Mr. LANCASTER. It has declared in favour of the measure or we would not have been in committee on it. It has declared in favour of the resolution, it has declared in favour of a Bill founded thereon and it has gone into committee on the Bill. It has declared that cigarettes shall not be imported, manufactured, or offered for sale. If we are going to enforce the sections which have been declared passed by two votes in this House to-night, in order to be consistent we must adopt this section which declares that cigarette paper and wrappers shall not be imported. If we are going to be consistent, if we are going to back our own action, not only last session, but this session, and this night, we must pass this section in order to carry out the two previous sections.

Mr. GALLIHER. The hon. member for Lincoln (Mr. Lancaster), when we find him expressing opposition to any Bill, does not want to be cut off short. I suppose that we who do not think this section of the Bill should become law, although apparently it is the intention of the House that it shall, have a perfect right to have our views heard in the matter. I for my part reiterate what I said before. The hon. member for Lincoln says that people will not be so anxious to import this paper knowing that it may be considered to be cigarette paper and that they may be liable to the penalties of this Act. You can go into any drug store to-day and buy paper that answers the purpose of rolling and making cigarettes. You can go into almost any grocery store and get paper that will answer that same purpose, and you can go into a dry goods store and get tissue paper or such

paper as will answer that purpose and yet a magistrate, because of his strong views on this subject, may interpret the sale of that paper simply because a boy or a man used it for making a cigarette, as a violation of the law and may imprison him at his own sweet will.

Mr. CLARKE. That law wants to be enforced once to secure its repeal.

Mr. FITZPATRICK. And against those who are supporting it.

Mr. ALEX. JOHNSTON. I really think that we should be a little more serious, and that the people who are not here to speak for themselves are entitled to a little more consideration. The traders of the country are entitled to some consideration, and I submit that if this measure were to become law to-night there are thousands of traders throughout the country who to-morrow morning would be brought up and prosecuted. I submit that there should be a definition as to what is meant by cigarette papers. Do you mean by cigarette papers, papers out of which cigarettes can be made ? If you mean that there is not a stationer in the city of Ottawa, there is not a stationer throughout the country but who offers for sale paper which will be suitable for making cigarettes. There can be no question about that and it is a fact that most people will admit. Unless there is some definition I think it is the imperative duty of this House and of those who are supporting this measure to define the meaning of the words 'cigarette paper' and not submit to prosecution those who are engaged in trade throughout this country.

Mr. FITZPATRICK. I submit respectfully after all possible consideration and in all earnestness the question if it is consistent with our dignity to pass legislation in the hope that that legislation may subsequently be frustrated by the action of the Senate. I say that it is not consistent with the dignity of the House that we should take such course as that. I do not want to repeat that because I am not quite certain but that there are some members who are not present in the House to-night who are in the hope that if this legislation goes through this House it will never get through the Senate. Let us try to realize what this means. Take this clause here for instance ; for a second offence if a man happens to sell a cigarette after having been fined once, he goes to jail for a year without the option of a fine. Do we realize what that means ? For a second offence he goes to jail without the option of a fine. I do not know that there are any offences on the statute-book in connection with which such a penalty as that is enforced. Is it conceivable that we are going to father legislation imposing such a penalty as that ? In the next place do we realize what this means ? What is going to become of the investors of this country who have entered into the manufacture of cigarettes ? What is going to become of those who have their supplies of paper, tobacco and machinery on hand ? What this means is that we are going deliberately to expropriate the property of these people and in some cases practically ruin them and give them no compensation. They started their industry with the sanction of the law and here we are now without a moment's warning introducing legisltion which will destroy this industry. Do we know what that means ? Are we thinking what it means ? Are we in earnest in passing this legislation ? Surely we ought to reffect upon it. Surely we ought to consider it. It is not conceivable that this legislation is going through and that we are not going to provide some compensation for those whose industry will be affected by it.

Mr. CLARKE. There is another side to this question that ought to be considered. The object we are aiming at will never be obtained by this kind of legislation. We will make it impossible to get remedial legislation in the near future. This Bill may even pass the Senate—I do not know whether it will pass this House or not—but it has only to be enforced to be repealed. It is a pernicious Act which cannot be enforced. The people of this country will not stand for it when they understand what it means. I say that with the greatest possible respect, because every hon. member in this House has a right to vote as he sees fit, just as I have ; but if the aim of this Bill is to protect the children of this country, it will fail and make that protection much more difficult to provide in future. We have pointed out again and again that the large vote given for the legislation introduced last year was because of the distinct pledges of the mover and seconder of the resolution that their aim was to protect the children of this country from indulging in the use of cigarettes. We could all sympathize with a measure of that kind. Here we have a Bill which proposes to send a man to jail practically without even a fine—a cruel proposition emanating from such a source, an unchristian proposition, if I may apply the term ; and I repeat again, Mr. Chairman, that if the object is to provide legislation to mitigate the evils which undoubtedly follow from the too free use of cigarettes by minors in this country, this legislation will fail and be a barrier in the way of obtaining effective legislation from parliament. I say that with the greatest possible respect. I will not take up any more of the time of the committee, but I would not be doing my duty if I did not enter my protest against the passage of legislation of this kind.

Mr. W. S. MACLAREN. A blank is very often left in a Bill to be filled in with the

length of time that a man has to serve who breaks the law, or the amount of fine that he has to pay. If anybody thinks the offence does not merit such a large fine or such a lengthy imprisonment, it is a matter which is in the hands of the committee. I have no particular feeling in regard to that matter. If it is thought advisable to lessen the term of imprisonment, it can be lessened.

Mr. FITZPATRICK. What has the hon. gentleman got to say as to expropriation without compensation ? That is a new principle of legislation in this House. We are to expropriate the people engaged in this industry and we are not to give them any compensation ; that is a novel departure.

Mr. HOLMES. I am surprised to hear the Minister of Justice, who ordinarily displays great judgment on questions brought before the House, using such an argument. No man in this country goes into business without taking risks.

Some hon. MEMBERS. No.

Mr. HOLMES. Yes. If the argument of the Minister of Justice is good, he should remember that you destroy the cigarette business to a limited extent if you make it apply to minors, and as a large proportion of the cigarettes are smoked by minors, then when you prevent minors smoking you destroy the cigarette industry to a large extent, and the Minister of Justice is willing to do that without compensation. I do not believe that this idea of compensation for vested rights will hold water. Parliament cannot be restricted as to the legislation it shall pass within its powers, and if parliament thinks it right and proper to pass such legislation in the public interests, it can do so without there being any just claim for compensation. This proposed legislation has been before the House for months, and if there were any serious intention of guarding the youth of Canada in this respect, we might have heard something about it before this. There is sufficient public opinion in this country to demand legislation of this kind, at all events so far as it is applicable to minors. I am free to concede that perhaps this Bill goes too far, but failing to get legislation to protect the minors we try to get all we can.

Mr. GALLIHER. The Minister of Justice introduced legislation last session amending the Criminal Code so as to protect the minors of Canada from cigarette smoking. Why was not that legislation supported then ? The hon. member (Mr. Holmes) says that failing to get that, he wants this general Act, but it is not the fact that he has failed to get legislation protecting minors. I for one would support such legislation as would also, I believe, the majority in this House.

Mr. COCHRANE. Why doesn't the Minister of Justice bring it in now ?

Mr. GALLIHER. I cannot answer for the Minister of Justice. Notwithstanding the opinion of the member for West Huron (Mr. Holmes) the question of vested rights does enter into the question. It is true in one sense that any one engaging in a business takes risks, but it is not true in every sense, and I would like to know how my hon. friend (Mr. Holmes) would like it, if legislation were passed here preventing him from publishing his newspaper. When a man enters into business that is sanctioned by the laws of the country, he should not take the risk that parliament will wipe out that business without at least giving him compensation ; and it does not matter whether he is a newspaper publisher, a grocer, a whisky seller, or a tobacconist. If you commence to apply the principle of destroying vested rights in an established business without compensation, where are you going to draw the line ? I believe that this question has not been considered seriously enough by those supporting the Bill.

Mr. COCHRANE. Why don't you propose an amendment to make it right ?

Mr. GALLIHER. Some of you who are so anxious in support of this Bill; why don't you get up and move an amendment which will make this legislation effective ?

Mr. COCHRANE. You are a lawyer and you ought to know how to make the legislation workable. If you are sincere, why don't you propose an amendment and if it appeals to my judgment I will support it ? Why does not the hon. gentleman propose some amendment that will remedy the grievance, that he feels so deep down in his heart to-night ?

Mr. GALLIHER. There are questions involved in legislation of this kind which deserve the most careful consideration from this parliament, and in all candour I say that some of the hon. gentlemen who are supporting this Bill do not seem to have seriously considered what its effects will be.

Mr. GUTHRIE. There is considerably more in the question of compensation in connection with this Bill than some people seem to realize. My hon. friend from West Huron had probably in mind a prohibitory liquor law without compensation when he ventured his opinion to-night. The liquor business is carried on under a system of license, but the retail commerce in tobacco, and in dry goods and in all the other branches of trade is not licensed. People have been invited to invest their moneys in this legitimate enterprise ; it differs from a business which is licensed, inasmuch as in the

latter case you invest your capital with your eyes open knowing that you are only specially privileged under that license which may be withdrawn at any time. There is a great deal of capital invested in cigarette manufacturing in this country ; there is the machinery, the tobacco bought, the contracts made for the future, and the employment of labour. I am not personally interested as to whether this Bill shall pass or not. I agree with other gentlemen that there should be an absolute prohibition of the use of all kinds of tobacco so far as minors are concerned, but even if this law were passed I could manufacture a cigarette myself without any breach of it.

Mr. FITZPATRICK. Every child in the country could do likewise.

Mr. GUTHRIE. No it is somewhat of an art. There are men who never smoke a cigarette and it is very easy for them to be virtuous at another man's expense. I will guarantee that the member for West Huron (Mr. Holmes) has not, and I doubt if the member for Lincoln ever smoked one either. The Bill as it now stands is badly drawn, it is unworkable. It has been stated here that there is a special kind of tobacco called cigarette tobacco and while that may be, it is still a fact that you can make a very good quality of cigarette out of any ordinary pipe tobacco you buy.

If the hon. member for Huntingdon will include a provision that no pipe tobacco or plug tobacco is to be brought into the country, I venture to say that a great many members of this House will not vote for the Bill. They will allow themselves the indulgence of the vice from an old nicotinish pipe, carrying poison in it, but they will not allow another person who has come to years of maturity to smoke tobacco in the mildest form in which it is prepared. That statement is backed up by the London 'Lancet,' an eminent authority, and also by one of the hon. members for Montreal, who spoke in this House last session, and who said that for a man who had reached his full growth, it was the mildest and least injurious form in which tobacco could be used. If the hon. member for West Huron and the hon. member for Huntingdon are content that the Bill should be limited in its scope to persons under twenty-one years of age, I think we should all be agreed on the subject.

Mr. HOLMES. I am free to say that I think the proposal made by the Minister of Justice last year was under the circumstances, as good a proposal as the one we introduced, and I think that the ladies of the Women's Christian Temperance Union made a mistake in being unwilling to accept it. I want to say, to the credit of the Minister of Justice, that he was not to blame that it was not introduced ; but some one is to blame for the fact that we were not before given the information which we have obtained during this debate. The hon. member for South Wellington (Mr. Guthrie) and the hon. member for Cariboo (Mr. Galliher) referred to the remarks I made as to compensating those who made investments in the business. If, in publishing my paper, I make it a menace to society, the government will soon step in and say that I must stop publishing that paper. We pass restrictive legislation in many ways, such as changes in the revenue laws, without granting compensation to those who lose in consequence. At any rate, I think the discussion which we are having to-night will have a beneficial effect, if nothing more than that is accomplished.

Mr. FITZPATRICK. With reference to compensation, we must bear in mind that factories for the manufacture of cigarettes are licensed by the government ; therefore, the people carrying on that business have been authorized by the government to invest their money in the factory and machinery, and then by legislation of this sort we come along and wipe the whole thing away. What would be thought of legislation proposed in this House authorizing a railway company to take land without compensation? And where is the difference in principle between that sort of legislation and the legislation we are now proposing ?

Mr. COCHRANE. You license them to do a certain thing, and they pay a license. When you cease to license them, they have no more authority to manufacture.

Mr. FITZPATRICK. My hon. friend confounds two things which are very easily distinguished. I am dealing with a legitimate business. The government might take away a license from the manufacturer, but that would not prevent his machinery being valuable to him. If you license him to carry on a business, you enter into a tacit contract with him that you will give him the protection of the law in carrying on that business. Then you come along with this Bill and destroy his business. The case put by the hon. member for South Wellington was that of a stationer or druggist carrying on a business over which this parliament has no control. He has paper of a certain description and you declare that he must not sell it. He has bought it when the law said he had the right to buy it. You say he must stop selling it and must destroy it. If the paper is found in his possession, he is liable to a penalty. So long as this parliament is content to pass legislation of that sort, the responsibility must rest on those who want to be virtuous at their neighbours' expense. According to this legislation, a man may have his pipe or cigar, but the man who enjoys his cigarette is not to have it. Where is the justice in legislation of that sort ? A remark fell from the lips of one hon. gentleman on the other side of the House which showed what is being done. The hon. gentleman said that the ladies who want this

legislation passed have not thought of the consequences of it. I am sure we are not old ladies, though we may be acting as such. After all, why should we allow ourselves to be stampeded into legislation of this sort, simply because a cry has been raised in the country which never was intended to be translated into legislation such as this? What the Women's Christian Temperance Union and the other ladies had in view was to prevent the sale of cigarettes, and tobacco as well, to minors. That is a laudable object and something which we can advocate. I will hold up both hands for that. I introduced a Bill last year to prevent the sale of cigarettes to persons under eighteen years of age, but the majority of this House were opposed to it, and those interested in the business were opposed to it also. If we mean to take over the parental authority exercised by parents over their children, if we have abundance of time for that, let us apply it as we ought to apply it. If I have spoken on this Bill more frequently than I usually do, it is because I honestly think this legislation reflects discredit on the House. Perhaps I am wrong in that, because the majority say so. But I think it is not to our credit to have legislation of this sort, the parallel of which is not to be found on any statute-book in the world.

Mr. FOWLER. I understand that the Minister of Justice is perfectly satisfied to have restrictive legislation so far as the sale of cigarettes to minors is concerned. It has been pointed out that minors are the principal consumers of cigarettes.

Mr. FITZPATRICK. Oh, no.

Mr. FOWLER. That has been stated by the hon. member for Huntingdon (Mr. W. S. Maclaren).

Some hon. MEMBERS. No, no.

Mr. FOWLER. I would think that the hon. member for Huntingdon (Mr. W. S. Maclaren) would know something about that. Whether that is the case or not, they are large consumers, or this would not be such a widespread evil. If you prevent minors using cigarettes, you will largely restrict the output of the factories, but you do not propose any compensation to them for that. If you can go to that extent you can go the whole extent and put these people out of business.

Mr. FITZPATRICK. No.

Mr. FOWLER. The hon. member for South Wellington (Mr. Guthrie) said that the reason he was opposed to giving compensation to liquor dealers in the event of prohibition, was that they were dealing under a license. It is the same thing here, these people are dealing under a license.

Mr. GUTHRIE. I referred to the ordinary retail tobacconists of this or any other city.

Mr. FOWLER. The manufacturers are the people here.

Mr. FITZPATRICK. I am standing for individual liberty.

Mr. FOWLER. We all stand for individual liberty but not all for individual license. A great many people make the mistake of confounding liberty and license. I think the Bill should pass as it is. I see no difficulty in the way and I am satisfied to have it passed.

Mr. SPROULE. I do not think that the Minister of Justice has any right to assume that any member is supporting this Bill with the understanding or expectation that the Senate will throw it out. I have heard no such remarks in the House, and the minister has no right to suggest that any member will do other than his duty. The Minister of Justice points out defects in the Bill, but there is no man who should be more capable than he to offer amendments to the Bill that will perfect it. That is his duty, a duty that rests upon him more particularly as a member of the cabinet than upon any other member of this House. The cabinet is responsible for the legislation that passes this House whether it is of a private or public character. If it is defective it is the less to their credit. If it is good, it is the more to their credit. He says there are defects in this Bill in his judgment but he proposes no amendment to it.

Mr. L. P. DEMERS. In answer to the hon. member for West Huron (Mr. Holmes) I would say that he made a great mistake in saying that no indemnity should be given. This is a property. These people have invested their money in manufacturing cigarettes, and the manufacture is a property and we cannot deprive them of their property without compensation. Ownership is defined in the Civil Code which is in force, in Quebec, as follows :—

> Ownership is the right of enjoying and of disposing of things in the most absolute manner, provided that no use be made of them which is prohibited by law or by regulation.

Surely then the manufacture of cigarettes is an ownership, a property recognized by law. The manufacturer is not using it in a manner prohibited by law, or regulation. The money invested in that property is an ownership recognized by law.

Another paragraph in the code says :

> No one can be compelled to give up his property, except for public utility and in consideration of a just indemnity previously paid.

What are we doing here ? We are taking over the property of a man, what he owns, legitimate property for public utility and if we do so, we must give him the indemnity that should be given. That is the law of France, the law of England, the law of Canada, the natural law, and we are violat-

ing all these laws in order to deprive the citizens of this country of a natural right. I contend that this parliament has no right, nor has any parliament, the right to deprive me of a natural right. You have not the right to prevent me drinking what I like, or smoke what I like. All of these laws are abuses of power, and the duty of a man, if he is worthy of the name, is to violate them, when they come into force because they are against the liberty of men.

Mr. MACKINNON. The promoter of this Bill in drawing it has omitted a number of material provisions in connection with the enforcement of the measure, apart from its merits. We are all in accord that the children should be taught not to use cigarettes, that cigarettes are bad for minors, that the parents should teach the children and that the preachers should preach the ills that will follow the use of cigarettes by minors. Local regulations have been tried. It seems that the people promoting this Bill have become exasperated because in connection with all these things failure has resulted, and now they appeal to this parliament and I think it is right that we should do what we can to help them. In the particular clause under consideration the promoter has provided for the punishment of only two offences, for the sale of one cigarette and of another cigarette. There is a second offence but there is no provision for any subsequent offence. If the person escapes the consequences of two offences, then he can do as he likes. That should be amended. There is also no time limit within which a prosecution can be brought. It also provides only for a prosecution being brought and tried ; there is no provision for enforcing the orders of the magistrates under the Summary Convictions Act. The Bill refers also only to the Criminal Code of 1892, passed over 12 years ago. It should provide for the amendments since that time. I am suggesting these for the purpose of amendment, and I think the Bill requires many amendments to attain the object in view.

Mr. W. S. MACLAREN. If it is thought that the penalty in the third section is too drastic I will have no objection if any one offers an amendment, in fact I would be prepared to amend it myself because I think that the penalty is really very heavy. I propose, therefore, to amend clause 3 by striking out the words 'for the first offence' in the fourth line, and also by striking out all the words after 'months' in the fifth line and inserting instead thereof the words 'not less than one month.'

Mr. DEPUTY SPEAKER. The clause would then read :

Any person who, by himself or by another contravenes the provision of this Act in any manner shall incur a penalty not exceeding $100 and not less than $20, and, in default of payment shall be liable to imprisonment to a term not exceeding six months and not less than one month.

Mr. FITZPATRICK. That means, that having purged the first offence, you can go on smoking as much as you like ? Is that it ?

Mr. DEPUTY SPEAKER. The words 'for first offence' are struck out.

Mr. W. S. MACLAREN. I move for leave to withdraw my amendment.

Motion agreed to and amendment withdrawn.

Motion that section 3 stand part of the Bill agreed to—yeas 39, nays 36.

On section 4,

Mr. GALLIHER. I move that the committee rise, report progress and ask leave to sit again.

Committee divided—yeas 37, nays 37.

Mr. DEPUTY SPEAKER. I vote 'nay.'

Motion, Mr. Galliher negatived.

Motion that section 4 stand as part of the Bill agreed to, yeas 41, nays 34.

Mr. GALLIHER. I move that the committee rise, report progress, and ask leave to sit again.

Mr. BOURASSA. I think the mover of the Bill should accept the suggestion that in the meantime, before another session, he might consult with the representatives for example, of the Chinese of the Russian government, for I think those are about the only countries where similar legislation could be found. As the legal authorities on both sides of the House have been unable to tell us in what way this legislation could apply, how you could define the offence, and therefore how a judge could apply the penalty, I think surely the hon. members who are responsible for this legislation should get proper information from the only semi-civilized countries in the world where similar legislation has been adopted, before it is put in force in this so-called free country.

Mr. GERVAIS. I would like to say a few words before this motion is put. In the first place, this Bill is badly drafted. In the next place the effect of this Bill will be to make this House utterly ridiculous throughout the world. I presume the promoters of this Bill desire to prevent young men from smoking cigarettes, but at the same time, there is not one word in it to the effect that only young men will be prevented from smoking cigarettes. The result is that as the Bill stands at present the man who smokes one-fifteenth part of an ounce of tobacco will be sent to the common jail for one year, while the man who smokes one-eighth of an ounce of tobacco will be left free. Can we insert such an illogical clause on our statute-book ? As

pointed out by the hon. member for Labelle (Mr. Bourassa), it is utterly absurd, utterly ridiculous, to insert in our statute-book, this illogical discrimination between the man who smokes a little bit of tobacco and the man who smokes half a pound, the first one being sent to jail and the second one being left free. Under the circumstances I should vote against the Bill. It cannot be amended, it is altogether bad, it is anti-commercial, it is immoral. There is no proof that the smoking of tobacco is bad. Tobacco has been in use for centuries, and I have not been able to find, either in philosophy or ethics or medicine, that it is wrong to smoke tobacco. Why should we accept the word of the promoters of this Bill as the word of the gospel ? There is nothing in the gospel against tobacco. For my part I am not willing to take the word of the promoters of this Bill as gospel. Let me say to my hon. friend from West Huron (Mr. Holmes) that it has not been proved that tobacco is a poison. It is no worse to smoke tobacco than it is to use hundreds or thousands of other articles that are in common use in this country. Therefore I say that the aim of the Bill is bad, the Bill itself is bad because it does not discriminate between classes of persons who are to suffer through the application of the Bill. Then I say that the penalties imposed by the Bill are too heavy. For all these reasons I should vote against the adoption of the Bill, not only against this fifth clause, but I am opposed to all the other clauses which have already been adopted by the committee.

Mr. W. S. MACLAREN. I think those who are opposed to this Bill are going pretty far. They are assuming that all the wisdom in this House is confined to those who are opposed to this Bill, and that those who are supporting this legislation are a lot of incompetents, who really do not know what they are doing. I think it is assuming a little too much. I do not know but those who have voted for this legislation are quite equal in intelligence to those who have voted against it. I have nothing to be ashamed of in connection with this matter. I am in earnest, I think this is good legislation, and I suppose those who are supporting the Bill think it is good legislation. I think that hon. gentlemen go rather far when they try to put us down as a lot of people who don't know the gospel, and who don't know much anyway.

Motion (Mr. Galliher) negatived, yeas 36, nays 38.

Mr. GUTHRIE. I think it is reasonable to postpone the operation of the Bill at least one year to allow those who have accumulated the stuff to get rid of it. I think the promoter of the Bill would agree with me that it should only come into operation in 1906.

Mr. FITZPATRICK. In connection with this amendment, it might be proper for me to suggest that some consideration ought to be given to the question of excise duties which have already been paid on these articles which are to be destroyed. It would be proper for the Minister of Inland Revenue to be here before we finally dispose of this Bill. He might have something to say with regard to refunding duties to those who have paid them.

Mr. W. S. MACLAREN. That is a departmental affair, I suppose, for the Minister of Inland Revenue.

Mr. GUTHRIE moved :

That the clause be amended by inserting the word ' six ' in place of the word ' two.'

Section as amended, agreed to.

Preamble agreed to : Yeas, 41 ; nays, 32.

Bill reported.

Mr. SPROULE. It seems to me that we have reached a somewhat serious task. The House has been led to-night by the Minister of Justice, and the government have been defeated so often that we ought to have some statement from them as to whether they propose to resign or whether they are not willing to resign.

Mr. SPEAKER. Order.

Mr. SPROULE. I think we ought to have some statement from them.

ADJOURNMENT — CERTIFICATES TO MASTERS AND MATES OF SHIPS.

Hon. W. S. FIELDING moved the adjournment of the House.

Mr. E. A. LANCASTER (Lincoln). Mr. Speaker, I want to draw the attention of the House to the next order on the order paper, which deals with a very important measure and which has stood at the request of the hon. Minister of Marine and Fisheries (Mr. Préfontaine). It is true that the last time it was up the hon. Minister of Marine and Fisheries said that he would probably introduce legislation this session of the same nature and he did state that at any rate he would give me an opportunity of having this matter dealt with because it is a very important matter to masters and mates on our inland waters as well as to the travelling public. If the hon. Minister of Marine and Fisheries renews that pledge now and says that the matter will be dealt with on government orders, I am content to allow the adjournment to take place, but seeing that since the last time this question was up in the House I have received a letter from the hon. Minister of Marine and Fisheries in which he takes back all he said about going to introduce a measure, saying that he cannot do it this session, I must have it distinctly understood

that if we adjourn now this Bill shall be put upon the government orders and be dealt with in that way, because to-day is the last private members' day, and it will not be reached otherwise.

Mr. PREFONTAINE. Mr. Speaker, I would have been disposed, if the matter had been reached to-day, to have had this Bill along with the Bill introduced by the hon. member for North Simcoe (Mr. McCarthy) to amend the Steamboat Inspection Act sent to a special committee in order to receive a report upon them. As regards the legislation the hon. gentleman is seeking for most of it can be provided for by regulation. I have ascertained that the other which cannot be provided for by regulation is not of so much importance that it cannot wait until next session when we intend to consolidate all the laws concerning this matter. That is the report I get from my officers and if the hon. gentleman is not ready to acquiesce in a submission of these measures to a committee after I have had a conference with him and my hon. friend from North Simcoe, of course his Bill will have to stand until next session.

Mr. LANCASTER. Do I understand the hon. minister to say now that he is not going to allow this matter if it stands to-night to come up again this session ? I had the pledge of the hon. gentleman the last time this matter was up that if I allowed this Bill to stand then, if it was not reached, it would be put on the order paper and dealt with. I suppose that pledge is still in force, but I want to confirm it. Now, I am prepared to allow it to stand to-night if the hon. minister puts it on the government orders so that we can discuss it. It ought to be discussed in the House. It is a public Bill which has not been discussed. If the hon. gentleman will not now do that, seeing that this is the last day upon which it can come up, I am going to spend the time to talk about it. I am going to let the people of the country understand what the Bill is that the hon. Minister of Marine and Fisheries says is not of much importance. He wants us to understand that the Bill can very well stand until next session. I think it is a great pity at this hour of the night that I am obliged to do this, especially as it involves the going back on an agreement made with me by the hon. gentleman, and made at his own request. This Bill was introduced on the first day that Bills could be introduced in this House. This Bill was introduced and read the first time before the address in reply to the speech from the throne was debated. The first day after it was introduced it came up for a second reading and time after time ever since it has stood either at the request of the right hon. Prime Minister or of the hon. Minister of Justice in the absence of the hon. Minister of Marine and Fisheries, but usually it stood at the request of the hon. Minister of Marine and Fisheries himself, who was going to introduce legislation at this session to deal with this matter. The hon. gentleman has stated that it was not of much importance and he gives as his authority some of the officers of his department. The officers of his department did not know what they were talking about when they told him that. The Bill is entitled 'An Act to amend the Act respecting the certificates to masters and mates of ships,' and my amendment deals with the Act as regards inland waters. The Canadian Association of Masters and Mates has been troubled over this matter a great deal, the travelling public, that is those who travel on steamboats have been troubled a good deal about it. The Canadian Association of Masters and Mates finding that the matter was of such importance, and finding apparently that no move was going to be made by the government to remedy the evils of which they complain, met at Toronto last winter, on February 8th, 9th and 10th, and passed resolutions in regard to it. I am speaking from the book entirely when I say that this legislation is absolutely required. It is all very well for some officer in the hon. gentleman's department to tell him that it is not. He has not run steamboats on the lakes. He does not know one-quarter as much about it as the Masters and Mates Association of the Dominion of Canada do. This association would not have passed resolutions asking that the law be amended unless these amendments were necessary. I quote from the minutes of the meeting held in Toronto on February 8th last, this resolution :

> Captain Milligan moved, seconded by Captain Jordan, that the Dominion government be memorialized to amend the law so as to make the examination of masters and mates more rigid and to require that all recommendations of a master to a candidate for examination must be made on oath, or the candidate must produce a recommendation from the executive of a branch of this association.

That is the first amendment which my Bill deals with. It requires that the evidence under which a certificate may be issued shall be given under oath. At present part of the qualification of a candidate is that he must have served under a certain master on inland waters for a certain time, and obtain a certificate to this effect. The master, in a great many cases, does not like to refuse, although the candidate may not have compiled with the conditions, and so he gives the certificate, but if he had to swear to it he would not do so. There is no responsibility on the man who makes the statement ; he commits no criminal offence, but at the same time he deceives the department and the public.

Mr. FIELDING. I am sorry to have the debate go on under a misconception. We

received information from the other side a full hour ago that it was desirable that we should adjourn, and in making the motion I thought I was giving effect to the sense of the House. I desire now to withdraw the motion for adjournment, to let my hon. friend speak to the Bill, and if the House will permit me.

Mr. LANCASTER. We perhaps might get along quicker if we went into committee. If the motion carries we can speak in committee.

Mr. PREFONTAINE. I have made the proposition that this and the other order should be referred to a special committee.

Mr. LANCASTER. I cannot accept that. I am sick and tired of having it suggested to me that public Bills should go to special committees for the purpose of having them defeated and not considered on their merits. In these special committees they are dealt with in a cursory and careless way, and it simply means that the House shirks its responsibility. I will proceed with my argument now.

Mr. CLARKE. There is another very important Bill on the order paper that a great many members are interested in. May I ask the hon. gentleman who is leading the House if it would not be possible to make an arrangement by which we could have another opportunity of discussing these Bills ?

Mr. FIELDING. The Prime Minister intimated the other day that it might be found necessary to name another special day, but in his absence I would not care to make any agreement on the subject. It is quite possible that such an arrangement could be made, but I am not at liberty to make any arrangement in his absence.

Mr. LANCASTER. Then I will go on. As I have said, the first amendment is in regard to the evidence being under oath. The Minister of Marine says this might be made a matter of regulation, but this constant government by Order in Council is merely taking away the right of parliament, which is to make a law which every one is bound to carry out, and which cannot be altered from time to time. The second amendment is very important, and it deals with the nationality of masters and mates sailing Canadian ships. In the United States one must be an American citizen before he can be master or mate of any boat owned in the United States ; and, therefore, it is that in boats plying side by side in the same waters the American boat must have an American captain, whereas the captain of the Canadian boat need not be a British subject. This is unfair, and it should be remedied. An American citizen can come into Canada and get a boat, which otherwise would be commanded by a Canadian, but before a British subject can command an American boat he must become an American citizen. The Masters and Mates Association have dealt with this subject in the following resolution :

Moved by Captain Milligan, seconded by Captain Jordan, that this association memorialize the Dominion government to cancel all certificates of masters and mates held by persons who have gone, or may go, to the United States and obtain certificates to sail vessels, where such persons are required to swear allegiance to the United States in order to qualify them to obtain such American certificates.

That is the recommendation of the Canadian masters and mates with regard to that. It seems to me that I should only have to state this case to get the unanimous support of this House for this measure, except that of the Minister of Marine and Fisheries, who seems to think it ought not to pass. The case is so obvious that it looks to me like an insult to the intelligence of this House to argue that a man who is not a British subject should be allowed to come into Canada and take away from masters and mates who choose to remain British subjects their occupation, and at the same time to say to Canadian masters and mates that they shall not have a similar privilege in the other country. The next amendment I wish to make is :

No person shall be entitled to present himself for examination for master until he has obtained a certificate of competency as mate, and has served as such for at least twelve months, and furnishes a statutory declaration of the master under whom he served of such service.

I wish to add that to the section which deals with that matter. That is recommended also by the same association which deals with it in this way :

Waiting the arrival of the St. Catharines delegates an informal discussion took place as to the administration of the law respecting certificates to masters and mates. Instances were given in which certificates of competency were granted to a number of persons who had served as pursers and in other like capacities, but who had no knowledge of seamanship whatever and never sailed a boat. No person should be granted a certificate as a mate unless he had served twenty-four months as wheelman and no one to be allowed to take masters' papers unless he has obtained a certificate of competency as mate and has served as such at least twenty-four months.

The next amendment I wish to make reads as follows :

No person shall be entitled to present himself for examination as mate until he has served as wheelman for the period of twenty-four months, and furnishes to the examiner a statutory declaration of the master under whom he served of such service.

These are the two sections which are dealt with in the resolution which I have just read. Now I come to a matter which it is a wonder to me has not been amended long ago. Nobody, however, noticed it. It

is a matter which should only require to be stated in order to have this House correct it. It will hardly be believed by hon. members that the men who are examining candidates for masters' and mates' certificates do not require to be qualified themselves. Anybody can be appointed an examiner for masters and mates in inland waters. All up through these lakes, which are considered more dangerous than the Atlantic ocean, because the storms come up more quickly, and there is less sea room, men who should be most competent are allowed to pass examinations held by anybody whom the government appoint, and who need not know anything about the subject. It is just as if lawyers were to be examined by dry goods merchants or carpenters or blacksmiths, or any other men who do not know anything about law. Perhaps the hon minister will say that the government would not appoint a man who was not a competent lake master. But it is just as well for the government to have the law behind them, so as to enable them to resist successfully the importunities of persons who might want the appointment in return for some political service. The government should not appoint as an examiner any one who is not himself a competent lake navigator; and it is well for the government to be strengthened by the law on the subject. That matter is dealt with also by a resolution of the Canadian Association of Masters and Mates passed on February 8th of this year, at the city of Toronto. It seems that to-day a collector of customs is the examiner of masters and mates; and this motion is in these words:

Moved by Capt. Crawford, seconded by Capt. Gidley, that we petition the Dominion government to rescind the Order in Council which makes collectors of customs examiners of masters and mates, and the amendments to the law to provide for the statement of qualified examiners who shall be paid a stated salary instead of by fees as at present; the examiners to be appointed to be in all cases competent lake navigators.

Following out the recommendation of that resolution, I have this amendment in my Bill:

Section 4 of the Act respecting Certificates to masters and mates of ships is amended by adding after the word 'examiners' in the sixth line the words 'which shall be by salary, and not in any way affected by the number or results of the examinations,' and also by adding after the word 'effect' in the last line the words 'but no person shall be appointed an examiner in respect to masters and mates of ships trading on the inland waters or on coasting voyages unless he himself is a competent lake navigator and has a certificate to that effect.'

Under this nobody could be an examiner who was not a navigator. We have the additional almost ridiculous state of affairs, that the examiner is paid fees, and it is his interest to pass the man who seeks to be examined, and as a result he may drown people instead of carrying them safely. The Bill provides that the examiners shall be paid salaries. There are only two men in the province of Ontario to-day who would be examiners. One lives at St. Catharines, and the other I believe is generally found at Toronto. The Auditor General's Report show the fees they received last year. I am told by the Minister of Marine and Fisheries that it is his intention to have these gentlemen salaried. I am simply carrying out his intention in this Act. Since this Act has been printed and before that time, the minister told me verbally and in a lettter that it is his intention to make these officers salaried officers, although they are not salaried at present. Then why should he oppose this amendment? It is in the interest of public policy that examiners should not be affected financially by the fact of those who come before them for qualification passing or not passing. That is the only way in which we can expect proper examinations and care in results.

The next amendment is that:

The section substituted for section 7 of the said Act by section 2 of chapter 41 of the statutes of 1891 is amended by adding after the word 'boats' in the fourteenth line the words 'such certificates to be conditioned to become void upon "the holder thereof renouncing his allegiance to the British Crown."'

That is auxiliary to the carrying out of what I have contended for in regard to British subjects. If a man gets a certificate and afterwards ceases to be a British subject, by going to the United States or any other foreign country and becoming a naturalized subject of such country, then his Canadian certificate as master or mate should be of no value.

Mr. FITZPATRICK. Can we confer upon a foreigner the rights of a British subject in Canada?

Mr. LANCASTER. No doubt and we are saying that if they are not British subjects they cannot be masters and mates of British boats.

Mr. FITZPATRICK. Therefore you cannot give them the quality necessary to be masters and mates.

Mr. LANCASTER. I cannot see how we are saying they shall not be British subjects by that. We are saying that if they are not British subjects they are not fit to run Canadian boats. The American government says if they are not Americans they are not fit to run American boats.

Mr. FITZPATRICK. If they are naturalized Canadians would not that be sufficient?

Mr. LANCASTER. If they are naturalized Canadians they would be British subjects in Canada, British subjects by naturalization.

Mr. FITZPATRICK. That is all we can do in Canada.

Mr. LANCASTER. There is no flag in Canada other than the British Flag. If they are naturalized Canadians they are only naturalized British subjects. There is no other citizen of a British country than a citizen of Great Britain and Ireland. There may be a Canadian but he is a British subject. If he is qualified to hold any position in Canada it is because he is a British subject. Surely the Minister of Justice does not contend that Canada can have citizens who are not subjects of Great Britain.

Mr. FITZPATRICK. I contend as a most elementary legal principle that you cannot confer upon a foreigner the rights of a British subject. You can give him certain rights but not the rights of a British subject; that is within the exclusive jurisdiction of the British parliament.

Mr. LANCASTER. We can certainly say who shall be masters and mates on our vessels.

Mr. FITZPATRICK. Yes, we can do that.

Mr. LANCASTER. If we say 'British subject' does not that include Canadian citizens. Is the Minister of Justice not a subject of Great Britain, am I not one, is my boy in St. Catharines, born in Grimsby, in the county of Lincoln, in the Dominion of Canada not a British subject? If I was going the length of saying what should make a man a British subject for the purposes of this Bill that would be different, but I am simply saying that no matter what constitutes a man a British subject, if he is one he is qualified to be a master or mate of a British vessel. The government of the United States will not allow a man who is a British subject and a Canadian citizen also to run a boat there, and we should protect our masters and mates and see that Americans are not allowed to come over here and take their situations. For illustration. If an American master should come over to St. Catharines and obtain command of a Canadian boat, putting a Canadian out of his place, and if that Canadian should go to Buffalo and try to get the place vacated by the other man he could not do so because he was not an American citizen. An American, however, could go from country to country in alternate years in this way, commanding first an American and then a Canadian boat, but as the Canadian is a British subject, he is limited to taking the boats he could get in Canada and if the other man was willing to take $10 a month less, and put him out of his position then the Canadian would not be able to get a boat in the United States. If you want to protect Canadian workingmen and the people of Canada you should see that their boats are run by Canadian citizens and British subjects. The statute that I propose to amend is chapter 42 of the statutes of 1894, section 4, which Act itself amended the Revised Statutes relating to the certificates of masters and mates. This section now reads:

> Examinations may be instituted in Canada for British subjects or persons domiciled in Canada for at least three years.

So, the word 'British subject' is used in the statute.

Mr. FITZPATRICK. The question is whether we can make British subjects in Canada.

Mr. LANCASTER. What is meant by the word 'British subject' in this statute? It is strange, what new, technical objections are raised, now to statutes that have been left unquestioned for years. This statute was passed in 1894, and the Minister of Justice, if not actually Minister of Justice all the time, has been in power since 1896. Yet, he has not changed the section of this Act. For my part I am prepared to take chances on whether a British subject is a Canadian citizen or not, or whether a Canadian citizen can be anything but a British subject. The statute provides that examinations can be instituted for British subjects and those are the fellows I want. The Minister of Justice and I need not quarrel about what the word 'British subject' means. The statute provides that the examinations may be instituted for British subjects or for persons domiciled in Canada for at least three years. I want to strike out the words 'or for persons' in the second line. So, it would read:

> Examinations may be instituted in Canada for British subjects domiciled in Canada for at least three years.

So, the Minister of Justice must not blame me for using the words 'British subjects;' my amendment does not contain these words at all. I did not put those words in the statute and all I am doing is simply not taking them out of it—I can leave them where they have been ever since 1894. It seems to me that the amendment I propose is not only in the interest of navigation generally and of all who travel in steamboats in Canada. The section in full reads:

> Examinations may be instituted in Canada, for British subjects or for persons domiciled in Canada for at least three years who intend to become masters or mates of ships trading on the inland waters of Canada, or on the minor waters of Canada or on coasting voyages, or who wish to procure the certificates of competency or service hereinafter mentioned; and foreign subjects serving in ships registered in Canada, and trading on the inland waters of Canada, or on the minor waters of Canada, or on coasting voyages,

shall be deemed to be domiciled in Canada while so serving.

So, under the present statute, while working here a foreign subject can get the benefit of the three years' residence, under my amendment, he cannot get the certificate unless he becomes a British subject. I am supported here by the resolution moved by Captain Milligan that I have already read. There was a further resolution :

Captain Gidley moved, seconded by Captain Dix, that a committee composed of Captains Milligan, McCoppen and Boyle, St. Catherines, be appointed, with Mr. Lancaster, M.P., for Lincoln, to revise the Act relating to masters and mates, prepare amendments to said Acts in the shape of a Bill on the line of the resolutions passed and suggestions made at this meeting, and that it be presented at the coming session of parliament.—Carried.

In response to that request I met that committee on several occasions, they being good enough to come to St. Catharines to see me. They requested me to put the matter into shape, and so I have put it in legal phraseology in this Bill. It was gone over carefully, and after it was printed it was gone over again just as carefully. I am authorized to say that the Bill I am advocating is in every particular exactly what the Canadian Association of Masters and Mates want. Now, in case any hon. gentleman should charge me with carelessness in not ascertaining the facts as to who can be a mate or a master in a United States vessel, I will refer to the revised statutes of the United States, sections 2165 and 2174. I need not trouble this House with the former, because it merely sets forth what a man has to do in order to become a citizen of the United States. But section 2174 provides as follows :

Every seaman being a foreigner who declares his intention of becoming a citizen of the United States in any competent court and shall have served three years on board of a merchant vessel of the United States subsequent to the date of such declaration, may on his application to any competent court and the production of his certificate of discharge and good conduct during that time, together with the certificate of his declaration of intention to become a citizen, be admitted a citizen of the United States ; and every seaman being a foreigner shall after his declaration of intention to become a citizen of the United States for the purpose of manning and serving on board any merchant vessel of the United States, anything to the contrary in any Act of congress notwithstanding, but such seaman shall for all purposes of protection as an American citizen be deemed such after the filing of his declaration of intention to become such citizen——

Mr. FITZPATRICK. Does that mean that they are to be citizens of the United States ?

Mr. LANCASTER. The time referred to is the time he has served on the vessel of the United States—three years—and on application and production of his certificate of discharge and good conduct—

—together with the certificate of his declaration of intention to become a citizen, be admitted a citizen of the United States.

He then becomes a citizen of the United States and can vote. He becomes a citizen of the United States by making a declaration of his intention and by serving three years on a United States vessel. But no British subject who is going to remain a British subject will go over there and declare his intention of foreswearing Great Britain and sailing in an American vessel for the purpose of doing it. Now, here is the statement of the United States local inspectors, dated March 12, 1904, and signed Frederick L. R. Pope and Joseph H. Schumocher. They are the United States local inspectors, and are attached to the Department of Labour and Commerce in the United States. They write this letter, addressed to Mr. W. D. Graham, secretary of the Canadian Association of Masters and Mates, St. Catharines Branch, No. 8, St. Catharines, Ontario :

In reply to your second question, an Act of congress approved May 28, 1896, provides that, after the 1st day of January, 1897, no person shall be qualified to hold a license as a commander or watch officer of a merchant vessel of the United States who is not a native born citizen or whose naturalization as a citizen shall not have been fully completed.

That is the present law of the United States. So that on all grounds it seems to me these amendments I propose ought to be adopted. I trust the House will see that no harm can be done and a good deal of good may be done to the travelling public by adopting these amendments.

Mr. PREFONTAINE. As I stated just now, there is no necessity whatever for passing this Bill during this session. We have received no serious complaints yet in the department. The only difficulty about the Act is that it has been amended so many times that it needs consolidation, together with some slight amendments. I gave instructions to the chairman of the examiners to prepare a consolidation of the Bill, but unfortunately he was called away to some other business. He informed me in the beginning of May that he could not go on with the consolidation. Therefore, on the 3rd of May, I wrote the following letter to the hon. member for Lincoln (Mr. Lancaster), explaining to him that the effect of amendments he proposed could be carried out by regulations. I do not know why the hon. gentleman persists in pushing this Bill in face of the promises that have been made to him, and in face of the fact that most of his amendments are already provided for in the law now existing. For the information of the House I may read that letter, which covers the whole ground :

Ottawa, 3rd May, 1904.

Dear Mr. Lancaster,—In my letter to you of the 22nd March I notified you that the amendments you proposed to make to the Masters' and Mates' Act would be embodied in a new Act which is being prepared in my department, and considering there is nothing in your amendment which calls for urgent legislation I think you might rest satisfied with my pledge. Unfortunately, owing to a heavy pressure of work, the new Bill which I propose to introduce will not be ready in time for this session of parliament. You must understand that a Bill of this nature requires most careful consideration, and if I were to decide upon introducing it this session, before every clause has been duly thought out, the result would probably necessitate the passing of several amendments in the near future.

There are reasons why I am not disposed to allow your amendment, the principal one being that you wish to introduce a great deal of matter into the Act which belongs exclusively to the regulations.

In the first section of your amendment I take it that it is your desire to obtain a more definite guarantee of applicants' service than at present exists, by requiring that their testimonials should be sworn to. This is a question of proof of service, and as such belongs to the regulations to be decided upon by the Governor in Council. New regulations will be issued when my Bill has passed, and in this respect they provide a better arrangement than you propose, namely, the production of official discharges.

Referring to the second part of the first section of your amendment, your desire to exclude foreigners has also the effect of disqualifying British subjects other than those domiciled in this country, that is to say, officers and men serving on ships registered in Great Britain or any part of the British dominions except Canada would not be entitled to examination. Perhaps you are not aware that our foreign-going certificates are recognized by the Imperial Board of Trade and any British possession declared by order of Her Majesty in Council under the provisions of the Merchants Shipping (Colonial) Act of 1869, as equivalent to their own, but only on condition that we adopt the same regulations with regard to the examination of candidates. In my new Bill I provided that only British subjects are qualified for examination.

In subsection 2 of section 2 of your amendment you again deal with matter pertaining to the regulations and for which there is no place in the Act. Twelve months' compulsory service as mate with a mate's certificate which you desire, is provided for in the new regulations, but with this difference, that official discharges are required in place of a statutory declaration.

In subsection 3 of the same section you are again encroaching on the regulations by providing that certain service as wheelman will be necessary to entitle an applicant to a mates' examination. This grade of wheelsmen mentioned by you if allowed to pass would disquanify apprentices, seamen, mates, boatswains, pursers, pilots and masters, all of whom have every right to claim examination. The twenty-four months' service you desire is provided for in the new regulations.

In section 3 of your amendment you have again borrowed material from the regulations to place in the Act, which, in my opinion, is quite unnecessary and superfluous as tending to curtail the powers of the Governor in Council. No less than eight examiners are at present on salary and eventually I intend to put them on the same footing, that is to say, when the chief examiner assures me that the salaries can be earned. In the second part of this section you require that no person shall be appointed an examiner of coasting and inland waters' candidates unless he is himself a competent lake navigator and has a certficate to that effect. You do not appear to be aware of the fact that a lake navigator is incompetent to command a vessel in the coasting trade. My new Bill provides that not only shall the examiner hold a certificate but he is required to pass a satisfactory examination before two other examiners to show his competency to examine candidates.

Section 4 of your amendment requiring certificates to be so conditioned that they become void in the event of the holder renouncing his allegiance to the British Crown, is too unreasonable for me to countenance. A certificate once gained is the property of the holder and has been duly paid for, and like any other property he may own must belong to him unless he has committed some crime which renders its forfeiture necessary.

The same objection applies to section 5 of your amendment.

I made just now a proposition to the hon. gentleman to have this matter referred to a special committee of this House, along with another Bill; so I think it is quite unreasonable, under these circumstance, to pass this Bill, especially when there is no urgency for it.

Mr. JAS. CLANCY (Bothwell). The hon. Minister of Marine and Fisheries (Mr. Prefontaine) has in the closing words of his speech given the whole reason for sending this to a special committee. The hon. gentleman said that my hon. friend's Bill is quite unreasonable. What does he want to send it to a committee for? To shirk the responsibility that he would assume by refusing to take up this measure in this House, absolutely that is the reason. The hon. gentleman declares that a master or mate may not be a British subject and that if a master or mate ceases to be a British subject he may still retain the rights of a British subject and he is not willing to have the proposals of my hon. friend crystallized into the legislation of Canada. The hon. gentleman proposes to have one measure of justice meted out to Canadians who go to the other side and to have a different kind of treatment for those who come from the other side to this country. The hon. gentleman says there is no demand for this legislation. There is no demand because the hon. gentleman is not in the mood to take up such legislation. The hon. gentleman thinks it is sacri-

lege that he should pass any legislation in this House which interferes with the regulations of his department. I will venture to say that the letter read here to-night was prepared by his own deputies or officers. Everybody knows that the hon. gentleman does not know anything about it. I am not doing the hon. gentleman any injustice when I say that. We all recognize that he is new in his department. I am not reflecting in the slightest on the hon. gentleman in saying that he cannot master these things in a day, but it is perfectly apparent from the letter which the hon. gentleman has read that he has red tape in his department. The hon. gentleman is content with that system of red tape which grows up in the department here. Every man knows that the time comes when we have entirely changed conditions, outgrowing that state of things, and we therefore should make changes when it is necessary to do so. What was rather astonishing was the attitude of the hon. Minister of Justice. He says that we are now attempting to declare who shall be a British subject. That is a most extraordinary declaration as far as it bears upon the legislation of this House. For all the purposes for which a man may become a British subject in Canada provision is now made. In regard to the franchise, is there any question as to whether we can make a British subject or not? These are only some of the pretexts that hon. gentlemen will offer in opposition to such legislation as this. I think there is one plain, necessary rule that can be laid down in Canada, and that is, that a Canadian has a better right in this country than any alien has. If any man who has been a Canadian or who is a British born subject and who alienates his right by becoming a citizen of a foreign state, desires to come back to Canada and to exercise the rights to which he was born, he may become a British subject again by naturalization, which would place him in the same position as that which he occupied before. He should become a British subject before he should be permitted to exercise the right of a Canadian. Let us take the example of the country to the south of us. I am not finding fault with the system which prevails there. I think the people to the south of us are rather to be applauded for the decided preference which they have shown for their own people. If there is anything that solidifies and builds up a country, if there is anything that has a tendency to make people attached to their country, it is that they shall have that protection in their own country that citizens of other countries receive from their own state. I do not think that this is a Bill that requires any elaboration. My hon. friend from Lincoln who has introduced the Bill has stated in the most concise terms what he proposes. One of the things which he proposes, and it is not a matter to be settled by regulation, is that the examiners shall be qualified persons, that they shall be paid and that there shall be no inducement to pass candidates. That is not a matter of regulation and if it were one, if we are to judge at all even by inference from what the hon. minister has stated, it would be a very loose sort of regulation. It is not a matter of regulation as to whether a master or mate shall be a British subject. The hon. minister has declared in the most emphatic terms and he crystallized it in that letter which he has now embalmed on 'Hansard' that he does not think that the candidate ought to be a British subject. He says he would not consent to that. Does he propose to send this Bill to a committee to ask Canadians to stifle that proposal and to let him out of the responsibility of saying that masters and mates shall not be Canadians or British subjects? When I use the word 'Canadians' I mean Canadians in the broadest sense. I do not intend it to be confined to persons born in Canada. One might be a Canadian born in Canada and not a British subject. He may have been born in Canada and taken the oath of allegiance to a foreign state. If he does that he forfeits his rights. I do not for one moment believe that the hon. gentleman will take the responsibility of standing in the way of giving effect to so reasonable a Bill, and I do not believe he will have the support of hon. gentlemen on that side of the House if he does so.

Mr. E. F. CLARKE (West Toronto). Mr. Speaker, before the motion is carried there are two or three words that I should like to say about this Bill. If I understand this Bill correctly the experience and ability of the men who are to navigate our Canadian ships are in no way interfered with. Every precaution surrounds the procedure introduced into this Bill by my hon. friend (Mr. Lancaster), to secure that in future none but qualified mariners shall navigate our vessels. The necessary qualification for a person before he can pass an examination as master is that he shall have served twelve months as mate and that before he is qualified to pass as mate he shall have served twenty-four months as wheelsman, and he must produce a certificate from the master on the vessel on which he served as wheelsman to that effect. What the public are interested in is that the men who have charge of our Canadian ships shall be competent. My hon. friend relaxes no provision existing in the law now. He does not interfere with the qualifications of the men who are to navigate our Canadian vessels. They must be men of experience and ability. The other provision that he asks shall be incorporated in the law is that the men who navigate these ships shall be Canadians or British subjects. He has given abundant reasons why that amendment should be

made in the law. If there were a dearth of skilled mariners there might be an objection taken to an amendment of that kind, but that objection has not been urged by the Minister of Marine and Fisheries (Mr. Préfontaine), and it cannot be urged by any hon. gentleman who knows anything about navigation upon the lakes. There is only a limited number of vessels in Canada. There is an ample number of qualified men to navigate these vessels and my hon. friend asks that preference shall be given to Canadians. I think he is quite right in asking that that amendment shall be made. It is not fair to Canadian mariners that American citizens should come over here and qualify themselves by passing the Canadian examination to take charge of Canadian vessels, who, in after years, may go back to the other side and take command of American vessels.

The law as it exists places Canadians in a secondary position to American navigators. I cannot for the life of me see what solid objection can be advanced by the Minister of Marine to the passage of this Bill. If there were a dearth of qualified Canadian mariners to navigate our vessels on the great lakes that might be given as a reason, but that reason does not exist. Our navigators are not permitted to navigate American ships, and it is most unfair to American labour, that foreigners should be permitted to come over here when it suits them, and take the command of Canadian vessels at probably lower wages than our own people would want. The hon. gentleman (Mr. Lancaster) is entitled to the thanks of the Canadian marine for his efforts to promote this measure; the responsibility for defeating it rests with the government and their supporters.

House divided on motion (Mr. Lancaster) for second reading of Bill.

YEAS:

Messieurs

Bell,	Fowler,
Bennett,	Hackett,
Clancy,	Lancaster,
Clare,	MacLaren (Perth),
Clarke,	Monk,
Culbert,	Puttee,
Daniel,	Richardson, and
Earle,	Sproule.—16.

NAYS:

Messieurs

Angers,	Mackie,
Bourassa,	MacKinnon,
Brown,	Macpherson,
Bureau,	McGugan,
Costigan,	McIsaac,
Delisle,	Marcil (Bagot),
Demers (St. John),	Marcil (Bonaventure),
Emmerson,	Matheson,
Fielding,	Morrison,
Fisher,	Mulock (Sir William),
Fitzpatrick,	Préfontaine,
Galliher,	Ross (Victoria, N.S.),
Gauvreau,	Scott,
Gervais,	Sifton,
Girard,	Sinclair,
Grant,	Smith (Vancouver),
Holmes,	Stewart,
Johnston (Cape Breton),	Talbot, and
Lang,	Wright.—39.
Loy,	

Motion negatived.

ADJOURNMENT—DISMISSAL OF LORD DUNDONALD.

Mr. FIELDING moved the adjournment of the House.

Mr. MONK. I would ask the government to complete the record of the Dundonald papers. At page 32 of the printed report there is a list of officers submitted, 6th of May, 1904, by Lieutenant Colonel Smart to Hon. Sydney Fisher; I would like to have the original paper connected with that letter. At page 32 of the same report, accompanying the letter of the Hon. Sydney Fisher, there is a memorandum and I would like to have the original of that memorandum. I also want the original of the letter referred to in the letter of the 19th of May, from Lieutenant Colonel Smart to the Hon. Mr. Fisher. I ask that the originals of these three documents be placed on the table of the House. At page 26, reference is made to letters of the 14th and 15th of May, 1904, from Lieutenant Colonel Whitley to the Hon. Mr. Fisher, and the inclosures—referred to in Mr. Fisher's letters of the 20th of May to Colonel Whitley—I would ask to have these letters brought down. There are also several other letters that are mentioned in that letter from Mr. Fisher. On page 26 of the report I find the following:

> I have written to our friends telling them that this has been done and urging them to take hold of their work energetically and loyally, and I am sure they will do so.

We have not the copies of these letters. In addition to that I would ask for the production of all letters from the Hon. Mr. Fisher to Mr. McNeil Miltimore and to all other persons relating to the 13th Scottish Light Dragoons, and to the appointment of any of the officers of that regiment. Also for all reports or returns to the Militia Department by Mr. McNeil Miltimore or any other persons in any way relating to the Dundonald Rifle Club at Sweetsburg, or to the ranges used by the club, or to the clubs services, proceedings or expenses. I have no doubt the government is anxious to complete that record. The documents I mentioned in the last place are not referred to in the return already brought down; but as they have reference to this matter I suppose they will be produced.

Mr. FIELDING. Does my hon. friend want the originals or certain documents which he mentioned ? Are the copies on the table, and he wants the originals, or are they something which are not brought down ?

Mr. MONK. The copies are in the return, but I would like to have the originals. I do not think any of the documents I have asked for are private.

Mr. FIELDING. The attention of the ministers concerned will be called to the hon. gentleman's request, and if there are any papers belonging to the record which are not private, I am sure they will be brought down.

BUSINESS OF THE HOUSE.

Mr. SPROULE. Since the minister refused to answer the question I put to him some time ago, as to whether in view of their various defeats to-night the government intended to resign, or whether like the Hon. G. W. Ross, they intend to hold on ; if they do hold on, they might tell us what business will be taken up to-morrow.

Mr. FIELDING. If my hon. friend (Mr. Sproule) is expecting an early call from His Excellency, he will be disappointed. To-morrow we intend to invite the attention of the House to the consideration of the Bills on the order paper which chiefly concern the Minister of Marine. We will not take up the Militia Bill. If we have sufficient time we will go into supply with the estimates of the Marine Department.

Mr. SPROULE. The premier intimated that he might give some information to-night with respect to the Election Law Bill. Has the Finance Minister any information to give ?

Mr. FIELDING. I cannot give an answer to that to-night.

Mr. CLARKE. There is on the order paper the second reading of the Bill to amend the Steamboat Inspection Act in the name of Mr. MacCarthy, and the second reading of the Bill respecting Union Labels. Will the government give the House an opportunity of discussing these measures.

Mr. FIELDING. An intimation has been given by the premier that an opportunity will be given to discuss one of these Bills, but whether the premier meant that a day would be given for Public Bills generally. I am not quite prepared to say. I would ask my hon. friend to renew that question, when the Prime Minister is in his seat.

Motion agreed to, and House adjourned at 1.45 a.m., Tuesday.

HOUSE OF COMMONS.

TUESDAY, June 21, 1904.

The SPEAKER took the Chair at Three o'clock.

NEW BRUNSWICK SOUTHERN RAILWAY.

Mr. ALEXANDER GIBSON moved :

That in accordance with the recommendation contained in the 19th report of the Select Standing Committee on Standing Orders, that portion of the 49th rule which limits the time for receiving petitions for private Bills be suspended in reference to the petition of the New Brunswick Southern Railway Company, presented this day, praying for an Act to declare their railway to be for the general advantage of Canada, and that the said petition be read and received forthwith.

Mr. R. L. BORDEN. I would like to understand the reason why this particular measure demands a suspension of the rules of the House. I have not heard any reasons given thus far. The hon. gentleman who is making the motion will no doubt be able to inform the House.

Mr. GIBSON. The petition was handed to me by the Southern Railway Company of New Brunswick. The reason they come here is that the Hon. Mr. Blair, the chairman of the Railway Commission, told them that the legislation which they had obtained from the provincial legislature of New Brunswick was not sufficient, and that they should obtain legislation from the Dominion parliament. I only received the petition the day before yesterday.

Mr. R. L. BORDEN. I have not been able to gather from the hon. gentleman's statement why the rules of the House should be suspended in favour of this petition. If he is not able to give any reason, perhaps he would give us an opportunity to examine the petition. The mere fact that somebody has written a letter to the railway company does not seem to afford a sufficient reason why the rules of the House should be suspended.

Sir WILFRID LAURIER. I understand that the reason given by my hon. friend is this, that this legislation was passed by the legislature of New Brunswick, but that in order that it should have the effect intended, it is necessary for the company to have a Dominion charter. I understand that the company were informed only recently that their charter was insufficient for their purposes, and that they would have to obtain the necessary powers from this parliament. That is the only reason.

Mr. R. L. BORDEN. If that is the reason, it is not set forth in the petition, and I do not understand on what principle this petition has received the favourable report of the committee to which it was referred.

The petition sets out that legislation is desired from this parliament for two purposes. One is to confirm two Acts of the legislature of the province of New Brunswick relating to the company, passed in 1901 and in 1902. Therefore, so far as they are concerned, there has been abundant opportunity to have this Bill introduced within the proper time. That portion of the petition affords not the slightest ground for a suspension of the rules of this House, if they mean anything. If they mean nothing, but if we can set them aside on the most trivial pretexts, as we have been doing during the last six weeks, let us abolish them altogether. If they do mean something, let us require, both in this House and in the committees of this House, some better reason than that stated in this petition. If the suspension of the rules of this House is to be a mere form, let us understand it at once. The second purpose stated in the petition is to construct a bridge over the St. Croix river, in the province of New Brunswick, at the terminus of the company's railway. The petition recites :

> That the company was incorporated under the said chapter 74 of the statutes of 1901 of New Brunswick, with power to acquire the Shore Line Railway, and the deed of transfer was confirmed by the said chapter 102 of the statutes of 1903.

That is all that there is in this petition, which I understand has been reported favourably by a committee of this House. What the committee found in that petition to report favourably upon I do not know. If the rules of the House are to be observed, I think this Bill ought not to be received under the facts set forth in the petition. I am not for one moment stating that this will not be desirable legislation. It may be legislation that I myself would support. All I am calling attention to is that we are deliberately, day after day, and week after week, violating the rules of this House on the flimsiest possible pretexts, and in this case without any pretext at all. All I am suggesting is that we should adopt some course that would be reasonable—either abolish the rules of the House or, if they require to be suspended, let that suspension be based on some reason that is worthy of the name.

Mr. SPEAKER. I would like to call the attention of the hon. gentleman to the fact that this is not the preliminary petition. This petition does not state the reasons for delay. The other petition probably would.

Mr. R. L. BORDEN. I asked if the petition sets forth the reason and I asked it because my hon. friend did not give any. Perhaps my right hon. friend knows what are the reasons.

Sir WILFRID LAURIER. I know nothing more than I have said, but I understood the reason simply was that the chairman of the Railway Commission had stated that their charter was insufficient and would have to be ratified by this parliament.

Sir WILLIAM MULOCK. I have just had a few words from the hon. gentleman who introduced the Bill, and I have learned from him that it was only within a week that they became informed of the construction placed upon their charter by the Railway Commission. There can be no question of taking the public by surprise because another legislature had granted certain powers, and it is now discovered that these powers are not sufficient and will have to emanate from this House.

Mr. R. L. BORDEN. I have not suggested that the company were taking the public by surprise, but what I say is that we have a rule requiring that these Bills shall come before parliament within a certain time, and for a very good reason. The reason is that if they are not brought before parliament within proper time, they may not receive the consideration they should. I would like this to stand until I observe whether or not the preliminary petition sets forth any sufficient reasons why we should set aside the rules.

Mr. GIBSON. I only received the petition on Friday after the House had voted and have taken the first occasion to present it.

Mr. EMMERSON. If there even was an occasion when the rule should be suspended it seems to me this is one. The company obtained legislation from the New Brunswick legislature. Then very recently they made application to the Railway Commission for power to construct a bridge in order to make connection at the Boundary river between Maine and New Brunswick with the Washington County Railway. They were told that their charter did not give them the right to make such an application and that it would be necessary for them to seek power from the Dominion parliament. They only learned this within the last week. It seems to me we ought not to enforce too rigidly our rules. Parliament is here for the purpose of serving the people, and here is a great public interest to be served.

Mr. CASGRAIN. Do I understand my hon. friend to say that the New Brunswick legislature had granted this company the right to build a bridge across the international boundary or river which separates Canada from the United States ?

Mr. EMMERSON. No. But the legislature gave power to connect with the Washington County Railway at the boundary. Under that legislation, the company applied to the Railway Commission, under the impression that the powers granted them by the New Brunswick legislature were sufficient. The Railway Commission decided against that view.

Mr. CASGRAIN. And rightly too.

Mr. EMMERSON. Yes, very properly. Now they seek a remedy. They want to make the connection. It is in the public interest that connection should be made. Why should we hesitate to give the power ?

Mr. R. L. BORDEN. Surely the hon. gentleman is not so obtuse as to understand that we are objecting to the legislation. I distinctly said that I might very probably support the legislation, but I object to suspend the rules of parliament without any reason being stated. Parliament is, of course, the servant of the people, but it has to be governed by certain rules, and these rules should not be suspended without some plausible reasons being given. My hon. friend the Postmaster General says that this was only discovered recently. Assuming that to be the case, it ought to have been stated by the hon. gentleman who makes the motion.

Sir WILLIAM MULOCK. So long as the House is informed of the reason, that ought to be sufficient.

Mr. R. L. BORDEN. It had not been stated to the House when I made my objection.

Sir WILFRID LAURIER. Yes, it was.

Mr. R. L. BORDEN. I did not hear it. When was this discovered ?

Sir WILFRID LAURIER. I think my hon. friend stated, when he introduced this petition, that this legislation was asked for because of the information given by the chairman of the Railway Commission that the powers vested in the company by the local legislature were inadequate.

Mr. CASGRAIN. The hon. Minister of Railways says that the Railway Commission very properly gave its information that the company had not the power to do what it was seeking to do. Then there must have been gross negligence on the part of the company. The company should have known that it had not that power.

Motion agreed to.

FIRST READINGS.

Bill (No. 141) for the relief of Eliza Robertson.—Mr. Holmes.

Bill (No. 142) respecting the Rio de Janeiro Light and Power Company, Limited, and to change its name to 'The Rio de Janeiro Tramway, Light and Power Company, Limited.'—Mr. Calvert.

PRIVATE BILLS—EXTENSION OF TIME.

Mr. ALEX. JOHNSTON moved :

That, in accordance with the recommendation contained in the 19th report of the Select Standing Committee on Standing Orders, the time for posting private Bills under rule 64 be reduced to three days.

Mr. EMMERSON.

Mr. T. S. SPROULE. There may not be any objection to this, but it is a rather unusual motion. I do not suppose that the session is coming to an end so very suddenly that there may not be an opportunity to post Bills in the usual time. There might be reason to apply this proposed change to one Bill, but the motion is put in general form and would apply to all. In that case I think the hon. gentleman (Mr. Alexander Johnston) should give some reason for the motion.

Mr. ALEX. JOHNSTON. The matter came before the committee. It was pointed out that there were few Bills pending. It was thought desirable to expedite the business and so it was unanimously decided to present a motion to this effect. I merely present the decision unanimously reached by the committee.

Motion agreed to.

MERCHANT MARINE AND CANADIAN ENSIGN.

Mr. HENRI BOURASSA. I would call the attention of the government, and especially of the Minister of Marine and Fisheries (Mr. Préfontaine) to an incident related in the Montreal newspapers. I refer particularly to 'Le Canada,' but I think the same facts are stated in the other newspapers of Saturday last. If the statement of the facts is accurate, it would appear that the captain of a merchantman from Nova Scotia, Captain Taylor, while calling at a port in the Argentine Republic, was ordered by the British Consul to haul down the flag, the red ensign bearing the coat of arms of Canada. On his coming to Canada he has made public the fact. I would like to know since when a Canadian merchantman is not entitled to fly the Canadian flag. I do not call upon the minister to give an answer now, but I would be glad if he would ascertain the facts. I may remind the House that a number of years ago—in the seventies, I think—an Order in Council was adopted by the British government, upon the recommendation of the Lords of the Admiralty, allowing all vessels registered in Canada, belonging to the Canadian fleet, to use the red ensign with the Canadian coat of arms. And this was subsequently ratified by an Order in Council in Canada. So, if the facts of the case to which I have called attention are accurately given, it would appear that this British consul has not only insulted the loyal colony of Canada, but he has violated a direct order of the King adopted in England and in Canada. I hope the Minister of Marine and Fisheries will see to it that justice is done in the matter.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). I have had no official complaint or notification concerning the case referred to by the hon. gentleman (Mr. Bourassa). I will make inquiries

and, if it is necessary to apply any remedy, I will see to it that the remedy is applied.

Mr. C. E. KAULBACH. I would ask the Minister of Marine and Fisheries (Mr. Préfontaine) to allow this matter to rest for a day. I have some papers in my possession which will afford some information in this connection, and which I can bring to-morrow. It will be remembered that some time ago—I think it was in May, 1901—I brought the matter up in connection with a vessel named the 'Canada,' belonging to the port of Lunenburg, Nova Scotia. I looked up some material then, but have not it at hand at this moment. If the hon. minister will let the matter rest until to-morrow I shall be able, I think, to give some information that will be valuable to the public generally, and to the mercantile marine in particular, so that all may know exactly the position in which the mercantile and marine stand in this connection as respects the flag.

CANADIAN FISHING REGULATIONS.

Mr. GEO. TAYLOR. I desire to call the attention of the Minister of Marine and Fisheries (Mr. Préfontaine) to a letter I have just received which reads as follows :—

The Inn,
Gananoque, Ontario, June 20, 1904.

Mr. George Taylor, M.P.,
Ottawa, Ont.

Dear Mr. Taylor,—I am mailing you under separate cover, a notice I found posted in the Hubbard House, at Clayton, to-day. There was also one posted at the Walton, Windsor, the post office and Hungerford hardware store, and I understood from very good authority that they had been posted in all the hotels throughout the islands.

Undoubtedly, this means 'Permits or Licenses for Fishing in Canadian 'Inland waters,' instead of that he has said 'Permits or Licenses for Fishing in Canadian waters.' Personally I met a party of four New Yorkers who could not get across the river Saturday on account of trains being late, and on seeing this notice at the Hubbard House decided not to come to the Inn. I met them personally today, and guaranteed almost everything, but it was impossible to move them.

Is there not some way that we can have this notice changed so that it will not be misleading? It is certainly hard enough to do business in a Canadian resort, without having notices posted in all the hotels that are detrimental to our business.

If you will kindly advise me what course to pursue, using your name as authority, I will do so at my own expense; although I think Mr. Goodwin should call in his notices and print new ones, but at the same time, as the season is on us, if it is possible to allow me to print notices. I will do so.

Hoping to hear from you at your earliest convenience.

I am, yours very truly,
(Sgd.) W. L. DAY.

The motion referred to by Mr. Day in his letter is as follows :—

TO ANGLERS.

Permits or licenses for fishing in Canadian waters for 1904 can be procured from the undersigned at his office, Market Square, Kingston (one block from Folger's wharf). Office hours, Tuesday, Thursday and Saturday, 10 a.m. to 4 p.m.

W. H. GOODWIN,
Ontario fishery overseer.

Kingston, May, 1904.

This notice, it is evident, has been distributed all along the American frontier. It is taken by Americans to mean : You cannot drop a hook in Canadian waters unless you first go to Kingston and on one of the three special days in the week, between the hours of ten and four, attend a certain office and apply and pay for a license. Yet, it has been understood that the waters between Kingston and Ogdensburg were free to American anglers. And now Americans will not come over to our side, owing to the bungling with regard to fishing licenses between this government and the Ontario government. I will send the notice and the letter to the minister, so that he may see definitely what is complained of and may issue some statement that can be given to our American friends to assure them that they are safe in coming to the Canadian side to spend their money, and fish in the river St. Lawrence.

Mr. PREFONTAINE. It is clear to me that this notice was issued by the Ontario government, because we have no official of that name in our employ. I will communicate with the fishery commissioner of Ontario and see what I can do.

Mr. TAYLOR. That does not apply to Canadian inland waters.

Mr. PREFONTAINE. Surely the hon. gentleman will not hold me responsible for the action of others. I have enough to be responsible for in my own department.

Mr. TAYLOR. But Mr. Bastedo and his officials are under certain rules and regulations, and in face of them they go to work and put out these notices and drive people from Canada.

STEAMSHIP LINE BETWEEN FRANCE AND CANADA.

Mr. CASGRAIN. I would call the attention of the leader of the government to the fact that about a week ago I obtained an order from the House for the production of copies of all papers and documents in relation to the establishment of a line of steamers between France and Canada. I would like the hon. gentleman to have the papers brought down as soon as possible. They cannot be very voluminous. It is more than a week since the order was made.

Sir WILFRID LAURIER. I am glad my hon. friend has called my attention to it. In the absence of the Minister of Trade and Commerce (Sir Richard Cartwright) the return may have been delayed, but I will see about it.

THE FISHING BOUNTIES.

Mr. HACKETT. The Minister of Marine and Fisheries (Mr. Préfontaine) told me a few days ago that he would bring down the report of the commission that he had appointed to investigate into the frauds with regard to fishing bounties as well as all information on that subject. Will the hon. gentleman say when he will bring down the papers ?

Mr. PREFONTAINE. I will lay on the table of the House the papers connected with this matter as soon as I take up my estimates again. I have got the papers before me.

BUSINESS OF THE HOUSE.

Sir WILFRID LAURIER (Prime Minister). On Friday last I made a statement to the House with regard to the legislation which was still to be introduced. I stated that the government would perhaps bring in some amendments to the Election Law, that there was a question as to what would be the nature of the Bill, and I could not give much information on that occasion in the absence of the Minister of Justice (Mr. Fitzpatrick). I am informed by my hon. friend the Minister of Justice that the legislation he will propose will be of a very light character. It will refer, first, to the Representation Act so far as it concerns the province of New Brunswick, and is intended to remove a doubt which I understand has been created from the imperfect drafting of the Act. As it stands at present, it is not quite clear how many members the province of New Brunswick is entitled to, whereas it is well known that it is entitled to only thirteen members. Then an amendment is necessitated with regard to clause 27 of the Dominion Elections Act which reads as follows :

27. The Governor General shall, except as hereinafter mentioned, fix the day for nomination of candidates at the election.

2. At every general election he shall fix one and the same day for the nomination of candidates in all the electoral districts, except in the electoral districts of Algoma, in the province of Ontario, of Gaspé and Chicoutimi and Saguenay, in the province of Quebec, and of Burrard and Yale and Cariboo, in the province of British Columbia.

These constituencies were carried by the Representation Act of last year, and other constituencies were subdivided, and some legislation is therefore required which will be in the spirit of this Act, and nothing else. That is all.

Mr. CASGRAIN.

Mr. CLARKE. Will there be any legislation respecting the voters' lists in any of the provinces ?

Sir WILFRID LAURIER. No.

Mr. CLARKE. Then that has been dropped ?

Sir WILFRID LAURIER. No ; it never was intended.

EXCHEQUER COURT ACT AMENDMENT.

House in committee on Bill (No. 37) to amend the Exchequer Court Act.—Mr. Fitzpatrick.

Hon. CHAS. FITZPATRICK (Minister of Justice) I have an amendment to propose to give the right of appeal to the Crown and not take it away from the subject. The question arises as to whether it would not be proper to let both parties have an equal right to appeal, subject to the limitation with respect to cost and securities. At present that right does not lie except in cases where the sum exceeds $500. I have come to the conclusion that as this amendment is an important one so far as the Crown is concerned, that it is important that we should have the right to appeal, I am willing, in order to meet the objections made by the leader of the opposition, to broaden the right of appeal so as to give it to both parties. I therefore move to amend clause 1 by striking out the words in the 10th line ' on behalf of the Crown.'

Mr. CASGRAIN. Does that mean that in any case, however small, the amount may be the subject of an appeal to the Supreme Court ?

Mr. FITZPATRICK. That is what it means.

Mr. CASGRAIN. Surely that is going very far, it will subject private litigants to enormous cost. Now does that mean, for instance, that where a party has obtained an order for a commission to examine witnesses in another country, there shall lie an appeal on that order from the Exchequer Court to the Supreme Court ?

Mr. FITZPATRICK. This will not apply to my hon. friend's case.

Mr. CASGRAIN. I am not speaking about a case in which I am interested. At the same time, it seems to me this is going very far, and it is against the spirit of our legislation, at all events, in the province of Quebec, where judgments, interlocutory in their nature, are not appealable except to certain specified cases. Let me put this case to my hon. friend ; here is a litigant who gets a decree for a commission to examine witnesses say in England, and the Crown wishes to appeal from this judgment or decree to the Supreme Court of Canada.

Everybody knows what it costs for such an appeal and I do not think it is fair or just that a litigant should be subjected to such a large amount of costs on a question which could be remedied by a final judgment.

Mr. FITZPATRICK. I do not think the matter could be remedied by a final judgment. It is in the interest of the Crown as well as of the individual that we should have an opportunity of settling as far as possible the jurisprudence and practice of the Exchequer Court. Cases are constantly rising in which it is important in the public interest that the Crown should have the right to have a principle settled, as for instance, in a small case, but on which a large amount may ultimately depend. For example, there was recently a case near Cornwall, on the judgment in which 40 or 50 cases depended, and it is important in the interest of the litigants that the principles applicable should be finally settled by the Supreme Court, and I do not think it is fair to assume, no matter who the Minister of Justice may be. whether it be my hon. friend (Mr. Casgrain) or any person else, that the Crown would undertake to advise appeals in cases where they would not be required in the public interest. But there may be exceptional cases in which such an appeal ought to be taken. Speaking from my own experience recently, I do not think of a single case in which there was a possibility of such an appeal as my hon. friend now says might arise.

Mr. CASGRAIN. Does my hon. friend think it would be well to limit the cases in which such an appeal could be taken to certain specified cases, as for instance cases which are enumerated in the code of civil procedure of Quebec. I do not know the practice in other provinces or whether in other provinces there lies an appeal to courts of appeal from any interlocutory or preparatory judgment in the lower court, but it seems to me it would be a hardship to litigants to have the law say that there would be an appeal from any interlocutory judgment rendered in a case. It might happen that in years to come the Minister of Justice might not be such a fair minded and judicial gentleman as the gentleman who occupies the position to-day and that under these circumstances probably litigants would not get such fair treatment as under other circumstances. I suggest that the law as laid down in the Code of Civil Procedure of the province of Quebec be followed in this instance.

Section as amended, agreed to, and Bill as amended reported.

On motion for the third reading of the Bill.

Mr. CASGRAIN. This is a matter of procedure. I think that if my hon. friend does not specify in the Act that this law shall not apply to pending cases it will apply to them.

Mr. FITZPATRICK. When the Bill was drafted and was presented to me by the deputy minister I brought the question to his attention as to whether it would be applicable to present cases. His answer was that it would not be applicable to pending cases. I am not quite sure that it is a mere question of procedure. I think it goes beyond that.

Mr. R. L. BORDEN. I would think that if it is not otherwise stated it would apply to pending cases, and be regarded as procedure. I know that in our courts they have gone pretty far in defining procedure.

Mr. FITZPATRICK. I would like to have the views of my hon. friends opposite on this question, and we might have it amended in the Senate. I attach great importance to the opinion of Mr. Newcombe. I have his expressed opinion on the subject, but if my hon. friends think that we ought not to have come to that conclusion, we can arrange for an amendment in the Senate.

Mr. R. L. BORDEN. I have an equally great regard for the opinion of Mr. Newcombe. I simply said, looking at it offhand, that I thought it would have that effect. We will look into the matter, and discuss it with the minister and then as he says, it can be amended in the Senate if necessary.

Bill read a third time, and passed.

YUKON TERRITORY ACT AMENDMENT.

Hon. CHARLES FITZPATRICK (Minister of Justice) moved the third reading of Bill 39, to amend the Yukon Territory Act. He said: When this Bill was up before, my hon. friend the leader of the opposition (Mr. R. L. Borden) put this question to me.

Mr. R. L. BORDEN. Has there not been some question in reference to the elected and the appointed members, and did not the Minister of Justice give some opinion as to what would be the proper course to pursue under such circumstances ?

Since the matter was up before I consulted the officers of the department, because occasionally these opinions are given without my knowledge when they refer to matters of routine. They tell me that no question has been submitted to the department such as the leader of the opposition (Mr. R. L. Borden) has suggested.

Mr. R. L. BORDEN. It did not occur to me that the Bill was coming up to-day but

my information was derived from newspapers in the Yukon, where what purported to be a telegram from the Minister of Justice to the Commissioner of the Yukon was published. The question as I recollect it, arose in this way: It was proposed to submit to Council a resolution criticising some features of the administration of the Yukon for which the commissioner held that the government at Ottawa would be responsible. He ruled the motion out of order and at the request of some members of the council he sent a telegram to the Minister of Justice, or the government asking whether or not he was right in holding that opinion ; and what purported to be a telegram from the Minister of Justice, if I remember correctly, was published in this newspaper which had the effect of sustaining the opinion of the commissioner. It was simply with regard to that that I inquired.

Mr. FITZPATRICK. If my hon. friend (Mr. R. L. Borden) attaches importance to the matter we will allow it to stand.

Mr. R. L. BORDEN. I do not think it should stand for that. If there is anything in it, I can bring the matter to the attention of the government on some of the estimates.

Motion agreed to, Bill read the third time, and passed.

STEAMBOAT INSPECTION ACT.

House again in committee on Bill (No. 101) to amend the Steamboat Inspection Act.—Mr. Préfontaine.

On section 1,

Mr. CLANCY. What is the scope of this section ?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). Under the existing law the boats described in the Bill are not subject to inspection, but when this Bill passes they will be examined and a certificate issued.

Mr. CLARKE. Is the inspection confined to boats that carry passengers for hire ?

Mr. PREFONTAINE. Even those which are not for hire may be examined by the steamboat inspector, if their owners make application.

Mr. CLARKE. Is there a fee charged ?

Mr. PREFONTAINE. The inspection fee for passenger steamers was abolished last year.

Mr. CLARKE. That is right.

Mr. PREFONTAINE. The department may consider whether we will render that service for steamers not engaged in commercial pursuits, but which their owners want to have examined for their own satisfaction. It may be that a small fee would be charged.

Mr. CLARKE. It is not the intention to make it compulsory to have private launches and yachts examined.

Mr. PREFONTAINE. It is permissible.

Mr. OSLER. Did the minister say that the government has done away with the inspection fee on all boats ?

Mr. PREFONTAINE. Yes.

Mr. CLANCY. Many boats are now running contrary to law, and I wish to know if there will be an early inspection made of these boats.

Mr. PREFONTAINE. As soon as the law is passed the regulations will be made.

Mr. CLARKE. The Marine Engineers Association of Canada have made representations to the department asking for a more rigid examination as to the qualifications of engineers. Is it the intention to provide for a more rigid examination of the engineers who are to have charge of these boats ?

Mr. PREFONTAINE. We will try to comply with the demands of the Marine Association if we can.

Mr. CLARKE. Petitions have been sent to the minister and I think a Bill was introduced respecting the qualifications of marine engineers.

Mr. PREFONTAINE. Such a Bill was introduced by the member for North Simcoe (Mr. McCarthy) and I am awaiting his return in order to have an understanding with him. It has been agreed that the Bill should be referred to a special committee in order that we may look into the question thoroughly and consult the interested parties. There is a difference of opinion between the Marine Association and the Association of Marine Engineers, and by getting them together before a special committee we will try to reach an agreement.

Mr. CLARKE. That conference will be before the session is over so as to expedite the passage of Mr. McCarthy's Bill ?

Mr. PREFONTAINE. Yes, that is understood.

Mr. CLANCY. Does the hon. gentleman intend to make the same regulations for these small boats as for the larger passenger boats ? The hon. gentleman knows that some of these small boats very often perform a passenger service. If they were required to carry certified engineers and to comply with what is necessary in the case of the larger class of boats, it would be impossible to run those boats by reason of the heavy expense. I would ask the hon. gentleman, in making the regulation, to keep that in view.

Mr. PREFONTAINE. In framing the regulation, circumstances will have to be taken into consideration, and it stands to reason that we could not exact from engineers or mates in charge of these small crafts, the same qualifications that we exact from engineers in charge of large steamers carrying a large number of passengers.

Bill reported, read the third time and passed.

SHIPPING CASUALTIES ACT AMENDMENT.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) moved second reading of Bill (No. 102) to amend the Shipping Casualties Act, 1901.

Mr. R. L. BORDEN. Does the hon. gentleman propose to explain this ?

Mr. PREFONTAINE. This Bill is rather important. If it passes, the Act respecting inquiries and investigations into shipping casualties, assented to on the 23rd of May, 1901, and giving authority to an officer appointed by the Department of Marine and Fisheries to examine into the case of a boat or ship which is stranded, will authorize him to investigate the case of the pilot. By section 4 of the Shipping Casualties Act the minister may direct the principal officer of customs residing at or near the place where the shipping casualty occurred, to hold an investigation ; but that investigation at present applies only to mates and engineers ; it does not apply to pilots. Sometimes, in order to satisfy the shipping interest, it would be necessary at the same time to examine into the case of the pilot, and it is proposed by this Bill to give the commissioner that power. I should think there would be no objection to the Bill. The Shipping Casualties Act was passed at the instance of the shipping interest some years ago, and on the special recommendation of the shipping interest on the other side of the water ; and anything that is done to satisfy the shipping people and the insurance companies that we are taking every precaution to protect the shipping interest is I think in the proper direction. That is why this Bill is introduced. There are other features in the Bill. For instance, the old by-laws of the Montreal Harbour Commissioners provided that the pilot's license should be suspended if an accident occurred to any vessel while in charge of a pilot until the cause has been investigated by the commissioners. This was manifestly unfair, because the pilots may not necessarily have been to blame, and was repealed. New subsection 2 of section 4 provides that if the officer holding the formal inquiry finds the pilot guilty of any of the offences enumerated, such officer may suspend the pilot's license until the minister decides whether a formal investigation is necessary. It is provided in the new Bill that the pilot must be notified within three days that such formal investigation is to take place, otherwise his license could not be suspended. New section 27 provides that pilots may be dealt with under the Shipping Casualties Act in the same manner that masters, mates and engineers are, with the addition that pilots may be fined in lieu of suspension at the discretion of the court. This latter provision is extremely necessary, since, if a pilot has caused the stranding, damage, collision, &c., of or to any vessel, it is generally through insufficient knowledge of the channel, and, by suspending such pilot, he is rendered more incompetent than before, whereas if a fine is instituted equivalent to his loss through suspension, the pilot's means of living are not taken away, and he has every opportunity to make himself more proficient in the knowledge of his pilotage duties.

Mr. CASGRAIN. Did the hon. gentleman say by whom that document was prepared ?

Mr. PREFONTAINE. This is a report from the chairman of the examiners specially charged with this part of the business in my department. New section 28 provides against a pilot being tried by the harbour commissioners, Montreal Pilotage Court or pilotage authority of any district, after the case has been taken up under the Shipping Casualties Act. That means that he will not be tried twice for the same offence.

Mr. CASGRAIN. Will the hon. gentleman tell me whether this Act is to precede the pilotage Act, in the sense that the tribunal which is created here will take the place of the pilotage authorities in any district for the trial of pilots ?

Mr. PREFONTAINE. In the case of a formal investigation, it would, because it says that if a formal investigation has taken place, and the case of the pilot has been tried, he cannot be tried a second time for the same offence.

Mr. FITZPATRICK. Like my hon. friend opposite, I am somewhat interested in this Bill, and I think it means this, that in the case of a shipping casualty, an investigation may be ordered by the Department of Marine and Fisheries, in which case it is not held by the pilotage authorities, but by an authority appointed by the Minister of Marine and Fisheries. In that case the investigating officer may inquire into the responsibility for the casualty of any person connected with the boat, except the pilot. He has no authority to interfere with the pilot. The object of the Bill is to extend the power of that investigating officer to every person connected with the vessel, including the pilot ; and where the pilot's conduct may be part of the investigation, it is provided that no investigation may afterwards be made by the pilotage authorities. That is

the object of the last section. So that on the whole the only change is with respect to the authority that makes the investigation. Under the Pilotage Act the pilot would be subject to investigation by the pilotage authorities; but this investigation is held under the Shipping Casualties Act, and it seems perfectly fair that all persons responsible for the management of a vessel during the time the accident happened, should be subject to the same investigation.

Motion agreed to, and Bill read the second time.

SUPPLY.

House in Committee of Supply.

Maintenance and repairs to government steamers, $250,000.

Mr. INGRAM. Would the hon. minister explain what are the matters which have been transferred from the Public Works Department to the Department of Marine and Fisheries?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). No part of this item applies to any of the services which will be transferred to the Department of Public Works. The Order in Council concerning the changes was laid on the table some time ago. I had a copy the last time we took up the estimates and can give it to the hon. gentleman after six o'clock, but I have not got it here now.

Mr. CASGRAIN. How many government steamers are there?

Mr. PREFONTAINE. There is a dimunition of $27,000 from last year and it is thought that the amount asked for will be sufficient. The estimated expenditure for 1904-5 is as follows:

Steamer 'Quadra'	$31,000
'Lady Laurier'	30,000
'Aberdeen'	45,000
'Druid'	38,000
'Lansdowne'	30,000
'Stanley'	25,000
'Minto'	44,000
Miscellaneous	7,000

Of the amount of $278,628, the following was expended in repairs:

'Druid' engine	$ 3,602
"	4,800
'Druid,' repairs to hull	2,706
'Aberdeen' engine	7,114
" hull	908
'Lansdowne' engine	2,093
" hull	4,717
'Quadra' engine	1,299
" hull	943
'Stanley' engine	12,176
" hull	1,569
'Minto' engine	2,488
" hull	670
Total	$45,986

Mr. FITZPATRICK.

Mr. CASGRAIN. How old is the 'Druid'?

Mr. PREFONTAINE. I think she was built three years ago.

Mr. CASGRAIN. I thought only a year ago, but $28,000 is a great deal to spend on repairs even if she is three years old.

Mr. PREFONTAINE. The $28,000 are not for repairs. That is the whole estimated expenditure. I have just given the details of the repairs. The expenditure on the 'Druid' is as follows:

Wages	$8,000
Fuel	7,000
Provisions	4,000
Painting, &c	1,000
Engine and deck supplies	2,500
Uniforms	500
Engine and hull	4,000

Mr. CASGRAIN. Will the hon. gentleman explain the difference between the two items: Engine and deck supplies $2,500, and engine and hull repairs $4,000?

Mr. PREFONTAINE. Engine and deck supplies, I am informed, consist of tools which may be necessary for working about the engine, oils and other similar supplies, while deck supplies include things which would be necessary for the deck, as for instance new cranes. Engine and hull repairs would include repairs to the engine itself, replacing tubes or other parts that are worn out or broken, and also any repairs that may be neccessary to the hull itself.

Mr. CASGRAIN. In the items which make up the total amount for engine and deck supplies what amount is allowed for oils?

Mr. PREFONTAINE. This estimate is made upon the basis of what has been spent in former years. The amount is not always the same, and, so far as repairs are concerned as the boat grows older the amount required for repairs may be expected to be larger. For instance, the amount allowed for repairs to the 'Lady Laurier' is small, because she is a new vessel put in commission only last year.

Mr. CASGRAIN. The hon. gentleman has not answered my question. The item of oil, I understand, is an important one, not only for this steamer, but for all the steamers. It seems to me that the minister should be able, from the documents he has before him, and with the able assistance I see around him, to tell me what quantity of oil was used last year on the 'Druid' and upon what he bases his estimate for the quantity of oil to be used this year? I would ask from whom the oil is purchased?

Mr. PREFONTAINE. I will send for the information, and, as soon as possible will furnish it to the hon. gentleman.

Mr. OSLER. Are purchases made by tender ?

Mr. PREFONTAINE. Yes.

Mr. CASGRAIN. Here are seven ships, and, of course, the item of oil is an important one in the amount of money involved. It seems to me the hon. minister should have under his hand, now that his estimates are before the committee any items upon which he bases those estimates. He is asking us for an expenditure of $277,000. He should be able to tell the House how it comes he has reached the conclusion that that amount will be necessary. I have had some experience in passing estimates, and I was always able to tell, from the records before me, what had been spent the year before, in reasonable detail.

Mr. FITZPATRICK. Were you ever asked ?

Mr. CASGRAIN. Yes, and I think by my hon. and learned friend (Mr. Fitzpatrick).

Mr. PREFONTAINE. If the hon. gentlemants wants a statement of the expenditure of last year, that, of course, appears in the public accounts. The amount spent on the 'Druid' was $40,850.29. This year we are asking only $28,000, which includes wages, fuel, provisions, engine and deck supplies, engine and hull repairs and so on. I have this information, but I cannot be expected to have under my tongue minute details of expenditure. I could not tell the hon. gentleman, for instance, how many pounds of nails were bought.

Mr. CASGRAIN. But I am asking information with regard to an item involving a large amount of money. What amount was spent for these seven steamers in the item of oil ? Surely the hon. gentleman could tell me that, approximately at least.

Mr. PREFONTAINE. I will furnish the information—I do not deny the hon. gentleman's right to have it. But I must send to the department for it. I cannot carry all these documents here every time the estimates are to be discussed. Otherwise I should have to spend more than $53 a year for cab-hire.

Mr. TAYLOR. It was only for a month or two while the hon. gentleman was in office that this amount of $53 for cab-hire was spent. And the hon. gentleman has been advised that it was spent illegally. I understood the hon. gentleman to say that the supplies referred to were purchased by tender. Can he give us the form of notice used in calling for tenders ?

Mr. PREFONTAINE I will get that information also.

Mr. DEPUTY SPEAKER. Shall the item be adopted ?

Mr. CLANCY. We all know the desire of the Minister of Marine and Fisheries to furnish information. As the chairman shows some anxiety to call the item carried, I would suggest that we might take up some other matter, of the facts concerning which the minister has some knowledge, and allow this to stand until the information required is in his possession.

Mr. CLARKE. While we are waiting for the information that has been promised, can the hon minister tell us where the 'Druid' was built ?

Mr. PREFONTAINE. She was built by Fleming & Ferguson, Paisley, Scotland.

Mr. CLARKE. Is not the sum asked for repairs an unusually large one ?

Mr. PREFONTAINE. It is a good deal less than last year. Last year the steamer cost for maintenance and repairs, and so forth, $40,854.97. This year we are asking for only $28,000, because not as many repairs are required. Last year some repairs were made to the steamer itself in order to give more accommodation.

Mr. HACKETT. The minister promised me on going into supply that he would give me information with regard to the commissioner he appointed to investigate frauds in the payment of bounties.

Mr. PREFONTAINE. Mr. Matheson, inspector of fisheries, has been appointed for that purpose, and instructed to hold an investigation.

Mr. HACKETT. Now, with regard to the steamer 'Minto,' I find in the Auditor General's Report that a certain Mr. Rattenbury, of Charlottetown, has been paid a commission of 5 per cent on freights delivered at Charlottetown, though the government has an agent there to look after the business, not only with regard to the 'Minto,' but every other steamer owned by the government. I would ask the minister if Mr. Lord is not capable of looking after that business ?

Mr. PREFONTAINE. I am informed that Mr. Rattenbury is engaged every winter as freight agent to look after the freight in the interest of the government. The department is accustomed to employ him.

Mr. HACKETT. But the boat does not go to Charlottetown in the winter.

Mr. PREFONTAINE. It goes to Charlottetown after a certain date, and then I suppose freight has to be gathered and looked after, as is done by every other transportation company.

Mr. HACKETT. Is it the intention to place the 'Stanley' on the route between Summerside and Cape Traverse for the next season ? Last year she was taken off suddenly to Georgetown and Pictou, after having been only a few days on the route.

Mr. PREFONTAINE. The 'Stanley' was taken off the route between Summerside and Cape Tormentine when the season became too dangerous. There was so much ice that it would have been dangerous to leave the boat on that route. Instructions had been given to Captain Brown and Captain Farquharson to use their own judgment in the matter, to join forces and put the two steamers on the same route as soon as the ice formed between Summerside and Cape Tormentine, and also between Pictou and Charlottetown. They were left to use their own judgment in the matter. Although this last winter was the most severe we have had for the last thirty or forty years, I think the ferry was kept in better shape than it ever was before. These two captains knew the route perfectly well, and when they saw there was danger they put on the two steamers between Georgetown and Pictou, and the result was that navigation was suspended only for seven or eight days, instead of for weeks and months as in former winters.

Mr. HACKETT. Does the hon. gentleman depend entirely on the judgment of Captain Brown in this matter? The 'Stanley' was brought there last autumn for the purpose of keeping up communication between Prince Edward Island and the mainland. Now, it appears that the minister is entirely dependent on the judgment of Captain Brown. I would ask the minister if he is not aware that Captain Brown, within the last year, collided with a ship near the coast of Nova Scotia, as a result of which the government had to pay a large amount of damages?

Mr. PREFONTAINE. I am not aware that any such accident happened to Captain Brown. But the matter was not left to Captain Brown alone, it was left to him and to Captain Farquharson together, and they decided to put the two boats on the same route. I think the result shows that they did not misjudge the situation, because the communication has been better this last season than it was before.

Mr. HACKETT. I am remarking that the minister appears to be placing too much confidence on the judgment of Captain Brown. Did he not collide with a steamer, in consequence of which the government has been obliged to pay a large amount of damages?

Mr. PREFONTAINE. In order to answer the hon. gentleman I would have to pick out all the details from the Auditor General's Report and the books of the department. I am informed by the officials of the department that there has never been any occasion to make a detailed statement of the expenditures for each boat.

Mr. CASGRAIN. I understood the hon. gentleman to say that this ship was purchased about three years ago. I should think my hon. friend, the High Admiral of the Canadian fleet, ought to be very well posted as to the time when his ships went into commission. We are asked this year for $28,000 for the 'Druid,' and of this $28,000, a considerable sum is down in the estimates for repairs. In the Auditor General's Report I see some items which lead me to believe that the ship was built in Scotland during the financial year 1903, and was only brought into Canada last year.

Mr. PREFONTAINE. She has had two full seasons, and is on her third season.

Mr. CASGRAIN. I see here an item.

Fleming & Ferguson, Ltd., Paisley: cost of altering position of boilers from 3 abreast, as specified, to 2 abreast and 1 placed ahead, $1,216.66; cost of making boilers suitable for 180 pounds pressure, instead of 160 pounds, as specified, at £75 per boiler, $1,095.

And then I see here:

Kœnig, Chas., board bill for crew for month of April: 12 men at $15, 16 at $12; disbursements for coaling, 78 hrs. at 25c.; board for crew for month of May, 12 men at $15, 17 men at $12.

McKiver, Wm. M. & Co., Greenock, lime juice and ginger beer.

I suppose this is for the trip outwards from Paisley, so I do not think the ship has been in commission very long. I would like an explanation of the item at page 181.

Beautey, H., Quebec; ginger ale, 12¼ doz., $12.63; cigars, 2 boxes at $3.50; paté de foie gras 2 boxes at $1.90; Schlitz, 1 brl., $15; soda water, 5-5-12 doz., $5.42; sundry groceries, $6.90; less 6-10-12 doz. empty bottles, $3.41.

Does my hon. friend feed his crew on pâté-de-foie-gras? What were these different items of groceries bought for? Is it the rule in the Department of Marine and Fisheries that the crew are given these luxuries? Of course, I do not begrudge it, but if it is the policy of my hon. friend to give his crew Schlitz and soda water, and to treat them to these luxuries, I would like to know it.

Mr. PREFONTAINE. My hon. friend knows that we do not treat the crew with these luxuries. Some items of this kind will always be found. My hon. friend must know that the boats of the department are sometimes used by very high officials whom it is not necessary for me to mention here, and to whom respect is due, and when they are on board of these government vessels of course extra things must be bought. If the hon. gentlemen begrudge them we will have to see whether these gentlemen in the future will be called upon to pay their own fare, and their own provisions, &c.

Mr. CASGRAIN. I do not for a moment begrudge anything but I am glad to find it is not the policy of my hon. friend to feed his crew on pâté-de-foie-gras, and to give the Schlitz by the barrel. I suppose it is when the High Admiral visits the fleet the cigars are brought out.

Mr. PREFONTAINE. My hon. friend knows that I do not smoke, so the cigars do not affect me. I do not want to mention the name of the hon. gentleman for whom these delicacies were purchased. It is not a member of parliament, and not a minister who has used these things, and I think the investigation has gone far enough.

Mr. CASGRAIN. The investigation has not gone far enough, and the minister cannot by any covert threat of that kind prevent us from asking legitimate questions.

Mr. TAYLOR. The hon. gentleman informed the hon. member for Toronto that these supplies were purchased by tender. Now I find in the Auditor General's Report--

Mr. PREFONTAINE. Will my hon. friend permit me ? I want him to understand that the general supplies are bought by tender, but very frequently small things are purchased as occasion requires at market prices. But the greater part of the expenditure is incurred by asking prices from different people who are in the line.

Mr. TAYLOR. I find at page P—7, that Mr. E. D. Bélanger, Que., sold goods amounting to $926.22. I find for instance flannel suits 21 at $21 each. Then I find 9 uniforms at $23 each and 10 at $19 each, dickeys, 21 at 25 cents each, and vests and pants for officers, 2 each, $26, and white duck suits, 21 at $2. I want to ask the minister if these goods are purchased. I want to ask the minister what the dickeys are for ? Are they a fraud for a shirt as this government is for being economical ? What are the 21 dickeys needed for ?

Mr. PREFONTAINE. Does the hon. gentleman not know what a dickey is ? They are used for the uniform of the crew, as is customary. The dickey sits under the collar.

Mr. TAYLOR. And does the hon. gentleman furnish all the clothing for the crew on the 'Aberdeen ?'

Mr. PREFONTAINE. On every steamer.

Mr. TAYLOR. Were these 21 dickeys furnished by tender ?

Mr. PREFONTAINE. I cannot say if the 21 dickeys were bought by tender.

Mr. TAYLOR. My hon. friend said that all these supplies were purchased by tender. Now I would ask him if these goods were bought by tender. He will find the list on P—8, under M. W. Coleman. Among the items are 200 pounds rice at 5 cents a pound, soap, 4 boxes at $3 a box and split pease, 142 pounds at 5 cents a pound, white beans, 7½ bushels, at $2.60 a bushel. Did the hon. gentleman purchase these goods by tender ?

Mr. PREFONTAINE. All the standard articles which are in general use are purchased by tender.

Mr. TAYLOR. Are these not standard articles ?

Mr. PREFONTAINE. I should think the beans were a standard article.

Mr. TAYLOR. Is $2.60 a fair price for white beans in Quebec ?

Mr. PREFONTAINE. It must be a fair and reasonable price and a low price.

Mr. TAYLOR. Will my hon. friend furnish the tenders and the names of the parties giving the lowest tenders for all the supplies ?

Mr. PREFONTAINE. Yes. I gave them last year, and I will do the same this year.

Mr. TAYLOR. We did not get them last year. I find that Mr. J. B. M. Dion, of Quebec, furnished 100 pounds of beans at five cents a pound, and 50 pounds of evaporated apples at 15 cents a pound, that you could buy any where at ten cents a pound retail. Then a man in Halifax got $5.75 for a barrel of apples and he sold $146 of goods. Were all these goods purchased by tender and were the lowest tenders accepted? If this government administered the affairs of the country as they should, they would have these supplies of their own in a central store to furnish steamers at ports of call, instead of allowing their officers to buy these goods at retail prices. They should either have a warehouse or else allow the merchants of Quebec and Halifax and other places, tender to supply standard goods at standard prices. The Auditor General's Report shows that we are paying two and three prices for supplies of hardware, groceries and provisions. Instead of being an economical government, it is the most extravagant government there has been.

Mr. PREFONTAINE. Was there a store or warehouse under the Conservative administration ? Was it not done in exactly the same way as it is now ? Tenders are asked for at different ports of call, and goods bought from those who specify the cheapest prices from the different traders.

Mr. CASGRAIN. Who are the grocers in Quebec who are asked to tender for such supplies ?

Mr. PREFONTAINE. Our own friends of course, and who have enough responsibility and respectability to be dealt with.

Mr. CASGRAIN. The hon. gentleman need not get impatient because he is only at the threshold of his estimates. He tells us that prices were asked from a certain number of gentlemen in Quebec whom he calls 'our friends.' I want to know who are the grocers in Quebec to whom the government applied to supply this merchandise. The minister has his able officers beside him and he can answer that question.

Mr. PREFONTAINE. The Auditor General's Report gives a list of all those with whom we have been dealing, and were sent forms of tender and were obliged to deposit a cheque, and after the contract was awarded to the lowest tender the cheque was returned to the others.

Mr. CASGRAIN. The minister has not answered my question.

Mr. PREFONTAINE. I am sorry I cannot answer it better.

Mr. CASGRAIN. The hon. gentleman knows he has not answered my question. The Auditor General's Report merely gives the names of persons who sold goods to the department, but what I asked for was the names of the grocers who were asked to tender.

Mr. PREFONTAINE. I will send for it and get it ; I cannot furnish it now.

Mr. BLAIN. What was the revenue from the 'Minto' and 'Stanley' last year.

Mr. PREFONTAINE. $18,500. From the 'Minto' $11,285.38 ; from the 'Stanley,' $4,-192.72 ; mail service, $608.75.

Mr. BLAIN. How much for freight and how much for passengers ?

Mr. HACKETT. I do not wish to delay the passing of this item, but I see here an item of $126.95 commission on freight at five per cent paid to Mr. Rattenbury, of Charlottetown. Is this a new departure ? You have a very efficient staff of officers at Charlottetown ; you have Mr. Lord who is a very able man and he has a clerk and a messenger, and they are quite able to attend to the business in Charlottetown without your paying commission to an outsider.

Mr. PREFONTAINE. I am informed that Mr. Rattenbury has been retained as freight agent since 1896.

Mr. HACKETT. That shows you how a Liberal comes in for a job.

Mr. FITZPATRICK. Nearly time.

Mr. HACKETT. Mr. Rattenbury has an account of $2,262 against the government in connection with steamships, and I find here a charge against the 'Stanley' for 'whisky short.' Will the minister tell us how that whisky came to be short.

Mr. PREFONTAINE. That is easily explained. It was a box of whisky that was missing and had to be replaced.

Mr. HACKETT. How do you happen to charge up against the 'Minto' a box of whisky short on the 'Stanley' ?

Mr. PREFONTAINE. I suppose the box of whisky was taken on at Pictou for Charlottetown. It disappeared in transit, and had to be replaced. I do not know who was on board at the time.

Mr. CLANCY. Has the hon. gentleman inquired into the habits of the men employed there ? He might be able to trace where the whisky went.

Mr. FITZPATRICK. It was at the opening of the session of parliament.

Mr. ARMSTRONG. As we are dealing with expenditure, I would like to ask the hon. minister what is the cause of the increased expenditure from 1896 to 1903 of $877,860.28. I notice that in the year 1896 the expenditure of the Marine and Fisheries Department was $793,634.49, and in the year 1903 it was $1,671,494.77. I believe it is due to the House and the country that the hon. minister should give some explanation of this.

Mr. PREFONTAINE. The explanation is clear from the blue-book. More steamers have been put in the service of both the Fisheries Department and the Marine Department ; the expenditure on aids to navigation is being increased year by year as the country develops ; and in the coming years it will have to be increased still further to satisfy the demands of the shipping interest and those interested in the fisheries. It is a well known fact that at the present time we cannot give to the shipping interests all they ask, in the way of permanent lights, improved fog alarms,, gas buoys, and other modern improvements. If the hon. gentleman looks at the report of the Department of Marine and Fisheries for 1903, he will see that from 1867 to the present date the expenditure has been increasing year by year on account of the development of the country.

Mr. CLANCY. What the hon. gentleman is quoting now, I suppose, forms part of the material that will in future years be considered part of the history of his administration—I mean his pamphlet. This pamphlet, to which we had occasion to refer the other evening, bears the signature of the Minister of Marine and Fisheries, and it is of very recent date—the 1st of February, 1904. The other evening the question came up why the hon. gentleman had selected the year 1896. This is the reason he gave on that occasion :

> It is after 1896 that the most important work was done. In 1894-5-6, there were great complaints against the St. Lawrence route and we had any amount of difficulty in dispelling the wrong impression that had been formed regarding it. We all know the efforts that were made by the Harbour Commissioners of Montreal and the shipping interests of Quebec and Montreal in 1896 to convince the government that it was a question of life or death for the St. Lawrence route that certain improvements should be made ; and it has been since that time that large sums were voted

in order to improve the route and remove the bad impression which had been formed concerning it.

When the hon. gentleman made that explanation, he had not borne in mind what appears on page 16 of his pamphlet. It is by a stretch of great courtesy that we call this a pamphlet; on the previous occasion it was called a campaign sheet. Here is what it says, under the heading 'Investigation into Causes of Casualties in the St. Lawrence':

Owing to misrepresentations concerning this great waterway, to and from the sea, and ignorance of the causes which led to several casualties of ocean-going steamers, investigations have been held. The result shows that the casualties were not due to lack of effective aids to navigation, nor dangers existing in the river, but in nearly every instance, to some oversight or neglect on the part of those in charge for the time being. Several investigations have been held by the Imperial Board of Trade, and the confirmation of the above statement is found in the fact that several masters holding imperial certificates have been suspended.

The pilotage system of the past has been defective, and this question is now receiving attention with a view of introducing a more complete and effective system.

The other evening the hon. gentleman told us that it was because of complaints of a very serious character that large sums of money had to be spent; and he tells us in his own pamphlet, prepared in his own department, and dated no longer ago than the 1st of February of the present year, that this was practically all a fiction—that it was not due to the want of aid, but to misrepresentation of the facts. I would like the hon. gentleman to reconcile these two statements if he can. They have both gone out to the public.

Mr. PREFONTAINE. I think they agree perfectly.

Mr. CLANCY. The result shows that the casualties were not due to the lack of effective aids to navigation. The hon. gentleman declared the other night that the reason he selected 1896 to date the the improvements from, was because of the lack of effective aids to navigation, but he certainly has no ground on which to base any such argument.

Mr. ARMSTRONG. In 1881 the expenditure in the Marine Department was $761,730.62. In 1896 it was $793,632.49, and in 1893 it reached $1,671,494.70, considerable over double. I would also draw attention to the fact that the cost of running the government steamers in Quebec, Nova Scotia, New Brunswick, Prince Edward Island and British Columbia in 1888 amounted to $150,659.16. In 1896 it was only $145,315.29 and in 1903 it amounted to $363,813.97. I think the hon. minister should explain this.

Mr. PREFONTAINE. That is very easy to explain. In some years we buy boats and in others we do not.

Mr. ARMSTRONG. How many boats were bought in 1903?

Mr. PREFONTAINE. In that year we paid the balance due on the 'Lady Laurier.'

Mr. TAYLOR. That does not appear in the Auditor General's Report.

Mr. CASGRAIN. How many boats were bought this year?

Mr. PREFONTAINE. None.

Mr. CASGRAIN. What about this steamer 'Gauss' just come over?

Mr. PREFONTAINE. That was not a regular expenditure of the department, but for a special expedition to Hudson Bay. It was a special expenditure for the general account of three departments.

Mr. CASGRAIN. What department?

Mr. PREFONTAINE. The Department of the Interior, the Mounted Police and the Marine Departments. It is a special vote which was granted last year for this expedition, and we had to provide for a relief boat to remain in Hudson Bay. That is why we bought the 'Gauss.'

Mr. CASGRAIN. I understand that this expenditure is to be borne by the Department of the Interior, the Privy Council, which has the control of the Northwest Mounted Police, and the Marine Department?

Mr. PREFONTAINE. A special vote was asked and an amount of money was put at the disposal of the Marine Department to organize the expedition. The expedition is not for the benefit of the Marine Department particularly. We were only asked to carry out the preliminaries.

Mr. CASGRAIN. Is the expedition under the direct supervision of the Marine Department?

Mr. PREFONTAINE. Part of it is. The organization of the crew is, but not the whole of it. because a certain number of officials were furnished by the two other departments.

Mr. CASGRAIN. What price was paid for the 'Gauss'?

Mr. PREFONTAINE. $70,000. The price was $75,000 if the boat went seven knots an hour and $70,000 if it did not. It did not go the seven knots an hour, so we paid $70,000. It is a new boat which was built for the German government three years ago for an exploration and it cost $155,000.

Mr. CASGRAIN. Has the difficulty between the late owners and the government been settled? We read in the papers that the boat was held at the port of departure for the sum of $5,000.

Mr. PREFONTAINE. I am not aware of the difficulty between the late owners and the government. I communicated with Mr. Bopp, the German consul at Montreal, and there was no difficulty.

Mr. CASGRAIN. Who chose the crew?

Mr. PREFONTAINE. It was chosen by Captain Bernier himself and Captain Spain was authorized to examine the men with Captain Bernier before engaging them. Those who were found fit to go as sailors or officers were accepted.

Mr. CASGRAIN. Had Captain Bernier a free hand?

Mr. PREFONTAINE. I left him perfectly free to choose the best men, and for greater security Captain Spain was present at the choice.

Mr. CASGRAIN. I understand that there was a gunner who was sent over as one of the members of the crew. Had this boat any guns?

Mr. PREFONTAINE. This man was not shipped as a gunner. The newspapers were evidently making fun. The name of the man was Laferrière.

Mr. CASGRAIN. What occupation did he follow before he became a master gunner?

Mr. PREFONTAINE. I do not know

Mr. CASGRAIN. Is it true he was a reporter on one of the newspapers?

Mr. PREFONTAINE. Would that disqualify him? If his physique was good and he fulfilled the conditions, I do not see where the disqualification would come in.

Mr. CASGRAIN. There is no disqualification, but it is a little strange that a newspaper reporter should be taken aboard the steamer 'Gauss,' not only as a member of the crew, but as a master gunner. There were no guns on the ship. It was not said jestingly that this was why this man was taken aboard and paid by the government, but it was said in all truth and seriousness—he was taken on as a master gunner. There were no guns aboard, but even had there been, the man was absolutely unfit for the work he was appointed to do. He was there simply as a reporter for a certain newspaper in Montreal, but was shipped nominally as a master gunner in order that he might have a trip to Germany and back. If there is any truth in this I would like to know it. If the minister can deny it let him do so.

Mr. PREFONTAINE.

Mr. PREFONTAINE. I read the report in the newspaper. It was all news to me, and I know nothing about it.

Mr. CASGRAIN. Is Captain Bernier still in the employ of the government?

Mr. PREFONTAINE. Yes, he is in charge of the ship.

Mr. CASGRAIN. Where?

Mr. PREFONTAINE. In Quebec.

Mr. CASGRAIN. Is the crew that brought the ship across still with the ship?

Mr. PREFONTAINE. No, they have all been discharged except those that are absolutely necessary while the boat is being repaired.

Mr. CASGRAIN. I suppose this crew was sent over for the special purpose of bringing the 'Gauss' to Canada and not to take her to any special waters, as, for instance, to Hudson Bay?

Mr. PREFONTAINE. That is correct. And the whole crew was not sent from this side. There were only a few of the men, because we took some of the special officers, such as engineers from Germany.

Mr. CASGRAIN. How many were sent from this side?

Mr. PREFONTAINE. Sixteen.

Mr. CASGRAIN. And how many were taken from the other side?

Mr. PREFONTAINE. Six.

Mr. BENNETT. There seems to have been a great difference of opinion between the minister and Captain Bernier about the hiring of these men. I do not wish to misunderstand the minister. Do I understand him to say that these men were wholly and solely hired by Captain Bernier and that there was no interference with his choice?

Mr. PREFONTAINE. If I were to say 'yes,' in answer to that it would not be right. The master of the ship is under control of the department that hires him. In this case Captain Bernier was offered a list of a certain number of men and was called upon to make his choice from that list. And he was assisted by Captain Spain in making his choice. If he wanted to refuse any of the men, he could say so, and that man would be passed by.

Mr. BENNETT. I find in the Toronto 'Mail and Empire' of 15th June, the following interview with Captain Bernier—

Mr. PREFONTAINE. I have positive information from Captain Bernier over his own signature that he never gave any interview to any newspaper. Any interview that may be published as having come from him is made out of whole cloth.

Mr. BENNETT. This interview was published on June 15. It seems rather odd that

Captain Bernier has not contradicted it publically in the press. Perhaps the minister has not seen it.

Mr. PREFONTAINE. Captain Bernier has had no time to contradict all that is said about him.

Mr. BENNETT. He has had a whole week. This interview is dated Quebec, and says :—

Capt. Bernier, who arrived here yesterday with his Arctic vessel, the 'Gauss,' after a thirty-six days' cruising, is far from satisfied with the personnel of his crew.

The ship does not seem over-speedy when she takes thirty-six days to cross the Atlantic.

He claims that with the exception of four men, including his first and second officers, the crew of twenty-four was foisted upon him by the Dominion government.

They were not of my choice, and, with the exception of a few good men, all land-lubbers or fresh water sailors who never went aloft in their lives or knew how to read a compass.

Some, no doubt, thought that because the 'Gauss' was a government vessel they were going on a pic-nic, but the moment we started from Bremerhaven I gave them to understand that I was master of the vessel. Nevertheless, they were unfit to work.

I stipulated with the government before leaving Canada that I required six men for each watch, but I found when we set sail that I could only have three ; the others were of no use. Consequently my officers and myself had to do double duty, and I was on the bridge the whole of every day until we came to anchor in the port of Quebec.

Among the crew as gunner was a young man named Laferrière, who I have since learned is connected with a Montreal French paper. I do not know why he was given to me because the 'Gauss' has no guns on board and in consequence was not in want of a gunner ; but I presume influence was responsible for his appointment. I also had a steward who was forced on me, though I objected to him and who had the furnishing of the meat to the crew.

With regard to the complaints made about the quality of the provisions, Captain Bernier said :

The provisions consisted of salt pork, hams, salt beef, sea-biscuit and flour. They wanted fresh bread, and you can judge for yourself what kind of sailors they were when they refused biscuits. I have sailed the ocean for thirty-five years as a master and in all my experience never heard of such a crew, and in future I will have the shipping of my own men or know the reason why.

Now, that interview was published on June 15, and it appears incredible that it should be wholly inaccurate in view of the fact that Captain Bernier has never denied it. Why, Captain Bernier has put Lord Dundonald completely in the shade. I am surprised that the minister allows his dignity to be offended by his subordinate in this fashion. Surely he is going to have Captain Bernier walk the carpet after this statement of his. I ask him again if any of the statements contained in the interview are correct ?

Mr. PREFONTAINE. I have no statement except the one I have just referred to. I have, over the signature of Capt. Bernier a full denial of what has been put in the paper. And the report to me is perfectly satisfactory. I am not going to run to all the newspaper offices to tell them that Captain Bernier did not give an interview when I have his formal denial over his own signature. If I had the least doubt about the matter I would investigate. But I have no doubt. Captain Bernier knows his duty too well to have forgotten himself to the extent that has been mentioned. I believe that the report he has made to me is a faithful, a loyal and an honest report, and I have no other report to be guided by. If the newspapers take it upon themselves to make interviews, that is their own affair, I am not going to answer and I am not going to ask Captain Bernier to engage in correspondence. He is not a newspaper man. He has a fair education, but it is not his business to answer newspaper reports.

Mr. BENNETT. I think it would be only fair to Captain Bernier to have his report or letter go side by side with this interview. Will the minister lay it before the House ?

Mr. PREFONTAINE. The report of Captain Bernier I can place before the House if it is required. It is an official report, regularly filed. I will lay it before the House.

Mr. ARMSTRONG. Is it a full denial of what is in the 'Mail and Empire' ?

Mr. PREFONTAINE. He says he never gave an interview to any newspaper.

Mr. CASGRAIN. The hon. minister first said it was a letter, and now he says it is a report. Which is it, a letter or a report ?

Mr. PREFONTAINE. We will not quarrel about the word, it is a report in the form of a letter if you like.

Mr. CASGRAIN. That is not the question at all. When we brought this matter up my hon. friend said it was a letter. Now a letter is supposed to be a public document, especially where it concerns an interview in a paper where the man denies ever having given the interview. Now the hon. gentleman is asked to produce this letter, which could be produced immediately before this committee. He says that it is part of a report which he will lay upon the table of the House. I ask the hon. gentleman to produce this document. I call his attention also to this fact which he has just

stated. He has just stated that Captain Bernier is not going to answer newspaper reports. But I may point out that when this interview was given in the 'Mail,' Captain Bernier was answering a report that had appeared in the papers, and was also answering reports which had been given to the newspapers by some of the crew who complained bitterly of the treatment they had received on board that ship. So it was he that was answering these reports in the newspapers. When my hon. friend says that he is not going to ask Captain Bernier to answer in his report, he is beside the book, because this was given in answer to a report in a newspaper. Has my hon. friend read the reports in the 'Mail and Empire?' Has he not seen these interviews which were given by some members of the crew?

Mr. PREFONTAINE. If the other reports given to the newspapers are as truthful as the one which was put into the mouth of Captain Bernier, I do not think we need spend much time over them.

Mr. CASGRAIN. That may be my hon. friend's opinion, it is not ours. This is an important subject, it has been engaging the attention of newspapers in the city of Quebec and the city of Montreal ever since the 'Gauss' arrived. Now I think it is due to Captain Bernier that whatever reproaches have been heaped upon him by the crew and other interested parties, should be cleared up, and got rid of. I know Captain Bernier well, and have known him for a long time. I formerly appointed him to a very important post, in which he gave the most complete satisfaction. From this post he was dismissed without any cause or reason whatever. The witnesses who were called against him testified that there never was such a good officer in the position he occupied as Captain Bernier. Now he has been accused publicly by these people, and amongst others, I believe, by this man Laferrière, of having brutally treated his crew, of having given them rations that could not be eaten, of having in other ways conducted himself not as a mariner, not as a master of a ship, but as a savage. I say it is in the interest of Captain Bernier, and it is only fair to him that these accusations should be cleared up, that these two accusations which have been brought against him should be disproved, and the proof should be given to this committee now in this discussion, so that the newspapers of the country which contained these reports may also contain the justification of Captain Bernier. This is the reason why I ask my hon. friend to produce this report, or his letter from Captain Bernier, so that we may get to the bottom of this matter which has attracted so much attention by the public ever since the 'Gauss arrived at Quebec.

Mr. HACKETT. What is the gross tonnage of the 'Gauss?'

Mr. CASGRAIN.

Mr. PREFONTAINE. 780 tons.

Mr. HACKETT. How is she propelled, by steam or by sail?

Mr. PREFONTAINE. By both.

Mr. HACKETT. What was her rate of speed across the Atlantic?

Mr. PREFONTAINE. I have not got the exact report yet, because Captain Spain has been away. Besides that, Captain Bernier was not in a hurry, and the weather was very bad during the passage.

Mr. HACKETT. Who was the officer who purchased the ship on behalf of the government?

Mr. PREFONTAINE. The details of the purchase are all contained in the department here at Ottawa. Captain Bernier himself was acquainted with the ship and recommended her strongly. Before closing the bargain we had her examined in Bremerhaven by Captain Mooney, who was superintending the construction of the 'Canada' which was launched on the 14th of this month. He was commissioned to proceed to Bremerhaven and examine this boat thoroughly and make a report. It was he who informed us that the boat was not very fast and it was with that knowledge that we made a bargain with the Consul General at Montreal to be completed by Lord Strathcona in London directly with the German government.

Mr. HACKETT. Would the minister state what is the horse-power of the boat?

Mr. PREFONTAINE. I could not tell that from memory. The vessel is not supposed to be altogether a steam vessel.

Mr. CLANCY. I understood the minister to state that Captain Bernier was presented with a list of persons from whom he was to choose his crew. Was the exact number of men on the list presented to the captain or was there a larger number?

Mr. PREFONTAINE. He was given a list of those who had made application for positions on the vessel. Some of them were chosen in Quebec and some in Montreal.

Mr. CLANCY. Were they all recommended?

Mr. PREFONTAINE. Captain Spain was instructed not to engage any man unless he was approved by Captain Bernier.

Mr. CLANCY. Was Captain Bernier at liberty to reject any of the men?

Mr. PREFONTAINE. At perfect liberty.

Mr. CLANCY. Did he have instructions to that effect?

Mr. PREFONTAINE. Captain Spain had instructions and I gave instructions personally to Captain Bernier.

Mr. CLANCY. That he might select whom he pleased ?

Mr. PREFONTAINE. That he might select whom he pleased provided they had passed the necessary examination to which they were subjected by Captain Spain.

Mr. CLANCY. Now we are getting new light. Capt. Bernier was instructed to select from those who were recommended to him. I am endeavouring to find out whether he was perfectly free to ignore the list that was sent to him by the hon. gentleman. I would like to have a statement from the hon. gentleman whether Capt. Bernier was confined to those persons who were recommended to him by the department, I care not how good, if he had a free hand. If he was presented with a list and told that he might select from that list whom he pleased, that is not giving him a free hand. That is tying his hands entirely. I would like an explicit statement whether a list was submitted to Capt. Bernier from which he might alone select or if he was given permission to select outside of that list.

Mr. PREFONTAINE. I have stated that twice already. A list of applicants was given to Capt. Spain and Capt Bernier and then there were a number of others who had applied to Capt Bernier directly and a certain number of students—I will call them students, although some of them were forty or fifty years of age—who frequented the naval school at Montreal, who were recommended to Capt. Bernier, by the director of the school at Montreal. Capt. Spain and Capt. Bernier went to Montreal and chose those whom they thought best qualified, but they were free to reject the whole list if they saw fit. They did the same thing at Quebec. The men with whom Capt. Bernier started were his own choice, and to me, the day he left for New York to take the steamer, he declared himself perfectly satisfied and made no complaint whatever. He makes no complaint at the present time and whatever the newspapers have published does not concern him because he has not thought proper to answer and it does not concern me at all. I have his report and am guided by that.

Mr. CLANCY. The explanation seems fair. The minister gave instructions to Capt. Spain.

Mr. PREFONTAINE. Capt. Spain is responsible for the choice of the crew of any vessel under the department.

Mr. CLANCY. Were the instructions written ?

Mr. PREFONTAINE They might be, it was done in the department in the ordinary way. Some of the instructions were given verbally by myself.

Mr. HACKETT. We have at least the information that the 'Gauss' has been purchased in Germany and brought across the Atlantic and is now in Quebec. The result of her exploration we will know later. I would like to ask for information in regard to the 'Stanley.' I see an item here :

Baker, Ely & Co., Yarmouth, damage to wharf, caused by the 'Stanley' colliding with the 'Prince Edward,' tearing her away from her moorings, $66.

How did that occur, who was in charge and why should she collide with the 'Prince Edward' or tear away the wharf ?

Mr. PREFONTAINE I am informed it was a small matter, a mere accident, but I will furnish the details.

Mr. HACKETT. It may be small in the opinion of the hon. gentleman.

Mr. PREFONTAINE. I am informed it is a small item and I will give the information.

Mr. HACKETT. I myself have further information. The hon. gentleman may think that when he pays a captain $100 a month to take charge of a steamship and then in addition to that the captain causes damage to the amount of $2,000 it is a very small matter to the people of this country. I assert in the interests of the people of this country that any damage in this way by a captain should cause his dismissal from the service. Has an investigation been held in this matter ?

At six o'clock, committee took recess.

After Recess.

Committee resumed at eight o'clock.

Mr. HACKETT. Has the minister got the information as to the accident that happened at Yarmouth between the 'Stanley' and the 'Prince Edward'?

Mr. PREFONTAINE. I have received this statement from my officers : the 'Stanley' when going into Yarmouth harbour fouled the 'Prince Edward' which was lying at the wharf. The tide was running out very strongly and the channel being very narrow, the 'Stanley' lost steerage way and in consequence came in contact with the 'Prince Edward' and damaged her upper works. Mr. Stevens went to Yarmouth to assess the damages. The repairs were done by the Dominion Atlantic Company who own the 'Prince Edward,' and Mr. Stevens reported that the charges were reasonable. At Yarmouth the channel is so narrow, that with the strong current running the captain of the 'Stanley' had a great difficulty in preventing his ship grounding. This happened about a year ago last May.

Mr. HACKETT. What was the total amount paid on account of this damage.

Mr. PREFONTAINE. About $1,500.

Mr. HACKETT. Is the captain of the 'Stanley' the man who is supposed to keep up communication between Prince Edward Island and the mainland ?

Mr. PREFONTAINE. Yes.

Mr. CLANCY. I suppose it is understood that if this item passes now it does not prevent general discussion again if it is necessary.

Mr. DEPUTY SPEAKER. Oh, no.

Examination of masters and mates, $7,000.

Mr. CLANCY. In view of the minister refusing assent to the Bill introduced by the hon. member for Lincoln, what is going to be the policy of the department with regard to the examination of masters and mates ? It was stated last evening that the examiners were not in all cases qualified, and had not passed the necessary examination themselves ; it was also said that the examiners were paid by fees which the hon. gentleman knows is hardly the proper way to remunerate such officers.

Mr. PREFONTAINE. As I stated last night, it is the intention to consolidate the laws concerning masters and mates, and also to amend the regulations as regards the examination and the status of the examiners. I have been in the department for only eighteen months, and I cannot be expected to do everything at once. I think no one will reproach me with not attending to my duty, because I am at my office every morning at nine or half past nine, and I am trying to do the best I can. If there are many things to be remedied I do not blame my predecessors in office whether they belong to my own party or not; I suppose they did their best. There is no doubt that the demands on the department at present are very great, and I am trying to do everything which I believe to be in the interests of the department and the country generally. Of course, I am open to the charge that I belong to a party which is not in sympathy with gentlemen opposite, but my department is a department into which party politics does not enter a very great deal.

Mr. CLANCY. Of course not.

Mr. PREFONTAINE. And party politics should not enter into my department a very great deal either, because it is a department which is charged with developing important interests in this country, and especially the national route of the St. Lawrence. Any suggestion which comes from any part of the country or from men of any shade of politics, will be considered by me and put into execution if I think it wise to do so, and if I have the means. I cannot say more than that.

Mr. PREFONTAINE.

Mr. CLANCY. I do not remonstrate with the hon. gentleman because he is at his office from an early hour in the morning to a late hour at night, but I think I can find fault that his splendid professions are not carried into practice.

Mr. PREFONTAINE. I have done my best.

Mr. CLANCY. The hon. gentleman's best is not very encouraging. I do not say that everything asked from the department should be granted, but certain things have been asked which appeal so strongly to common sense, that it puzzles one to know why the minister can waive them aside after his own light hearted fashion.

Mr. PREFONTAINE. It is my natural disposition ; I am born that way.

Mr. CLANCY. I have not the least fear that the hon. gentleman will over power us by his virtue. If the hon. gentleman were less amiable and more businesslike he would serve the country better than he does. He tells us that we must wait for him to take his office out of a state of chaos ; but he will have to afford some better reason why he did not this session consolidate the law relating to masters and mates. I believe the minister is capable of acting vigorously, if he wants to, and I hardly think he is too short a time in his office not to have opinions of his own.

I think, without having any personal knowledge of these matters, that the hon. gentleman must be advised very much by his staff. But to receive the advice of a very good staff and to be utterly without any policy of how the department should be carried on are two very different things. I should like to know what is to be done this year—whether it is the hon. gentleman's intention to compel those making applications for certificates to conform to some healthy rules, namely, that an affidavit should be made as to their service and who they were ; that examiners should be persons who are qualified by reason of having passed the examinations themselves ; and that no inducement should be held out to any one to open the spout and turn out a batch of certificates on commission or something else. The hon. gentleman says that he hopes for a better state of things at some time ; that is all the information I have received from him.

Mr. HACKETT. We are aware that the hon. minister is new to the department, but he has a very able staff. At the same time, we must look after the business of the country, and I think we might allow these items to pass without very much discussion.

Mr. CASGRAIN. I would ask the Minister of Marine and Fisheries to produce that letter or report from Captain Bernier.

Mr. PREFONTAINE. The hon. gentleman is unreasonable. Does he imagine that I am going to walk to the department and look up papers, and bring documents here of which I have had no notice whatever ? I think it is a most unreasonable request to make of a minister and I do not intend to submit to it.

Mr. CASGRAIN. I do not think it is unreasonable at all. The hon. gentleman said it was a letter, and afterwards he called it a report ; and he said he would produce it. I do not mean that the hon. gentleman should walk to his department and get this document ; but it seems to me that he has plenty of means for getting it. This report must have been filed in his department not more than two or three days ago, so that it must be very easily obtained. Unless there is something in the report which my hon. friend does not want to show, or unless it contradicts what he said this afternoon, I cannot see any reason why he should refuse to produce it before the House. My hon. friend said this afternoon that he did not know that the papers in Quebec and Montreal had spoken about this thing.

Mr. PREFONTAINE. I never said anything of the sort. I said I did not mind the reports of the newspapers. I did not say that I did not read or take cognizance of them. I said I did not care for the reports, garbled reports mostly, and interviews made up of whole cloth. They did not concern me in any shape or form, and I thought Captain Bernier had taken the same view of them. The hon. gentleman has no right to put in my mouth words which I did not use.

Mr. CASGRAIN. Perhaps my understanding is at fault ; but I understood the hon. gentleman to say that he had not seen what the papers said. I have in my hand 'La Presse' of the 14th of June, the day the 'Gauss' arrived in Quebec. This paper is full of reports from the different members of the crew. Here is a complaint signed by almost all the crew, with an affidavit about certain matters that happened while this ship was crossing from Germany. There is an interview with Captain Bernier, which I will read to the House :

(Translation.) He will defend himself before the competent authorities.

The following interview, by telephone, with Captain Bernier, who is in Quebec, explains the other side of the medal.

I am aware, said the captain, of the complaints made against me by my crew, but you do not expect that I will discuss them in public. I leave to those young people the responsibility for their strange course, which consists in having addressed collectively a complaint to the marine authorities, which is founded on deceptions, and in having submitted, at the same time, that complaint to the public. Such is a discourteous proceeding that will scarcely give them any sympathy.

All that I can tell you is that the vast majority of the young men who formed my crew, had never done any navigation, and that a large number of them had never seen the sea.

It was by dint of persistent requests and the setting up of claims more or less worthless that the greater portion of my crew obtained enrolment, while I was not given the liberty to make selections. For those young people it was a question of a pleasure excursion, of a delightful and free trip, that would enable them, on their return, to tell their parents, their friends and even those uninterested, imaginary stories of adventure

Once at work, they had to settle down. They had been engaged to work the vessel, to labour, and that obligation entirely disillusioned them.

They say that they belong to good families; it is quite possible, I do not dispute the fact; but, then, they could have remained at home and not have taken the places of good sailors, both experienced and disciplined, whom I might have selected, and who, certainly, on their return would not have complained—seeing that life on board the 'Gauss' would not have differed from any other voyage they might have made upon no matter what vessel.

The 'Gauss' is not a pleasure-boat, and the voyage from Germany to Canada is not a recreation trip.

Life on board a sailing vessel, even for sailors is rough, and I can understand that these young people of good family, accustomed to the sweets of the paternal home, experienced a great disappointment on finding themselves bound to do the painful work of sailors, when they had dreamed of a tourist crossing, sheltered by a tent, or rocking themselves, cigar in mouth, in the rocking-chairs of the captain's cabin, and sipping hot or cold drinks according to taste.

The complaints of those young men are possibly sincere, but they are evidently dictated by the vexation, the disillusion, and the disappointment of not being able to parade a pompous title, all the more glorious in the fact that it would make known the ease and importance they enjoyed on board.

I am not an atom inferior to those young people, and yet, even though my employment and my title should have dispensed me therefrom, had I on board assistants of experience and broken in to the work, instead of having those accustomed to the parlour, I performed each day the ordinary work of a sailor and never slept more than four hours per day.

I confine my remarks on the subject to this, reserving to myself the right to give a vigorous reply to the minister, as I believe that such a discussion interests him alone, at least until such time as he passes thereon. I and that from being the accused I may before the minister, the roles will be changed, and that from being the accused I may become the accuser, by my complaint of a plot formed against me, as the facts themselves establish.

Now my point is this : My hon. friend says that Captain Bernier has stated in a letter or report made to him that he never gave this interview. At first he said a letter, then he corrected that by saying a report. That may be true. It may happen

that Captain Bernier, at the time he was speaking, did not know that he was being interviewed. From personal experience I can say that I have conversed with a reporter sometimes not knowing that he was a reporter and I was surprised to read next day in a paper almost exactly what I had said. I did not know that I was giving an interview, in fact I was not giving an interview, but my opinions were there all the same expressed in the newspaper. That is what may have happened to Captain Bernier. But in the 'Mail and Empire' he makes these statements, he says that he was obliged to take certain men that were not fit for the job for which they were engaged, that they were not sailors, that they had never seen the sea and did not know anything about navigation; and the consequence was that he and his chief officers were obliged to be on the bridge almost all the time, and were obliged to do the ordinary work of seamen on that ship. Now we want to know whether it is true that Captain Bernier was forced to take this crew with him as he repeats in this interview. It is published in the press, and remember it is alleged that this man Laferrière was taken on board as a master gunner when there were no guns on the ship at all. We have this fact, at all events, stated by Captain Bernier that he was forced to take these men who were not fit for the service for which they had been engaged. Now if my hon. friend has a report or a letter, while we are on this question, it seems to me the easiest thing in the world for him to produce it. That is the request I make, a perfectly reasonable and just request. Let him produce before this committee that letter, or that report. I do not ask him to read it all. There may be things in it that do not interest the public or interest this committee. But Captain Bernier has been accused by the crew before the whole community of the most inhuman treatment possible. He has been accused for instance, of having knowingly taken on board that ship provisions which were absolutely unfit for use, and the greater part of which had to be thrown overboard. He is accused in these reports, which are signed by the members of the crew of keeping these men on biscuits and butter almost the whole trip across. He is accused of ill treating his crew, and I say that it is only common justice to Captain Bernier, who is an employee of the government, who has been entrusted by the government with the command of this ship in taking it over from Germany to Canada, to let him state his case before the public so that he can vindicate himself from these grave and serious charges. It seems to me that the hon. gentleman should, I respectfully submit, defend his officer, his employee against these accusations. Now my hon. friend says that he is not obliged to walk over to his department and get this letter. But he has a lot of employees, and he could easily send one of them over for this letter. I say again that he ought to produce it now while the discussion is going on. If he does not produce it we shall conclude that there is something in the report which he does not want to lay before the committee, or something which contradicts the statement which he made to the House.

Mr. GAUVREAU. (Translation.) Mr. Chairman, I wish to say a word upon this question. When the crew was engaged, I asked the hon. Minister of Marine and Fisheries if he would take on board of the 'Gauss,' a person whom I was ready to recommend. The answer was: telegraph to your man to come and meet Captain Bernier at Quebec, and if he is judged competent by Captain Bernier and Captain Spain, he will be engaged.

Mr. A. LAVERGNE. (Translation.) Mr. Chairman, I must say for the information of the hon. member for Montmorency, that I have myself asked Joseph Couillard, of Montmagny, as second mate on board of the 'Gauss.' The minister told me to go and see Captain Bernier, and Captain Bernier told me that he was entrusted with the selection of the crew and that if Couillard was found competent he would take him on board.

Mr. CASGRAIN. I understand that the men whom the hon. member for Temiscouata (Mr. Gauvreau) and the hon. member for Montmagny (Mr. A. Lavergne) recommended to Captain Bernier, were refused.

Mr. A. LAVERGNE. The man I recommended was accepted.

Mr. CASGRAIN. Well, if Captain Bernier corroborates that statement, it justifies my hon. friend. But there is another feature to this matter to which I alluded just now. The accusation that these men brought against Captain Bernier in the public press has been published throughout the country in all the papers, and it is only fair to him that he should be cleared of the accusation brought against him. There is no reason in the world why my hon. friend should not produce that report. I say that after the promise he has given to the committee it is time he should produce it. It is no justification for him to say that he cannot walk over to his department and get it. This report was handed in within the last two or three days, it must be easily obtained.

Mr. PREFONTAINE. Let me say in two words that what my hon. friend from Montmorency has read from 'La Presse'

bears its own condemnation. How could Captain Bernier state what is mentioned in this interview? It would be the most stupid thing on the part of a master of a ship to say that he left Quebec to go to Germany and bring back a ship on his own responsibility, and that, like a fool, he accepted the men that were offered to him that he was ordered to take, and now, when complaints are made, to say that he was forced to do so. I say it is so ridiculous, it is so childish, that I am surprised that my hon. friend from Montmorency, who has had a good deal of political experience, should pay so much attention to a trifling matter of this kind. I stated before recess that Captain Bernier denied ever having given an interview to the newspapers. denied it over his own signature. Whether he did it by report, or letter, or telegram does not matter, the fact is he denied it.

The hon. gentleman would like me to take notice of what has been stated in the newspapers. As head of the department, I take no notice of these things, unless they are brought to my attention in an official way. These pretended complaints were made on the part of a few hot-headed fellows who did not know what they were about when they were engaged. These fellows have not dared, up to the present moment to lay their complaints before the department; they have not dared lay them before Capt. Bernier. But they have gone to the newspapers. What do I care about that? What difference does it make to the department. If these gentlemen had been sincere, if they had been serious, if they had not been playing a childish game, they would at least have taken the trouble to send me a copy of the paper in which they printed these pretended complaints. But I have nothing in the department about the matter. Under these circumstances, it seems to me childish to treat the question in this way and to try to make political capital out of it. If political capital is to be made out of it who is going to suffer? Capt. Bernier is going to suffer, because he has declared—and he cannot deny it—that he has been left free to choose his crew. If he misjudged the men he engaged, that is his own affair. If there are serious complaints against the conduct of any officer they will be treated seriously. But there is nothing of that kind in the department. I know that it has been stated in the newspapers that unwholesome meat was served in the ship. Well, as to that we have the report of two German members of the crew, officers—the engineer and the assistant engineer—who state that on one occasion by mere accident, some preserved beef was served that was not in proper condition. To whom was it served? It was served to the captain himself the officers and the crew. And, if these fellows, who were sea sick were particularly offended by this kind of meat, surely the captain is not to be held responsible for their feelings. The meat was bought, with other meat, from a responsible firm in Germany. It was meat that had been put up in Germany. And if it happened that some of this meat was not what it was thought to be, that is no more than might happen in any household. You may buy some meat that you think perfectly good, only to find, when it is on the table, that it is not fit to be eaten. Surely, the whole department is not to be held to blame for a thing of that kind. In a lumber camp, the same thing sometimes happens. Twenty-five barrels of beef may be provided, of which twenty-four are found to be of first-class quality, but the other one is wrong. Is that any reason why the boss of the shanty should be threatened with death, accused of attempting to poison his men and denounced as one who ought to be hanged? These things are too ridiculous. It is not a serious treatment of a public question to occupy the time of the committee with such nonsensical things.

Mr. CASGRAIN. I am sorry I have excited the ire of my hon. friend (Mr. Préfontaine).

Mr. PREFONTAINE. Not at all.

Mr. CASGRAIN. But I have attained my object to a certain extent. I have been wanting to get from my hon. friend the statement that he does not believe the accusations brought against Capt. Bernier by his crew in the press. I have sought for an hour to get from my hon. friend a vindication of the character of this man whose reputation, until now, has been of the very best. I have succeeded so far.

Mr. PREFONTAINE. If the hon. gentleman (Mr. Casgrain) will allow me—he was not in the House for a quarter of an hour or so when this question was first threshed out. What I have just stated, I stated then— that there was no official information in the department from the crew or from anybody else, and that I relied on what the captain had stated to me.

Mr. CASGRAIN. The hon. gentleman (Mr. Préfontaine) is mistaken. I was here, and have been here during the whole of this discussion. I have not missed a single one of the eloquent words which my hon. friend has vouchsafed to utter to the committee. He started with the argument that it is perfectly ridiculous to say that Capt. Bernier should have stated anything of the kind as that he had been called upon to sail this ship with a crew that were unfit for the work for which they had been engaged. That is not the question. We have here two newspapers giving two interviews with Capt. Bernier at two different times, in which he states positively that a certain crew were foisted upon him, that he had to take them and that they were unfit for the job for which they were hired—that

they were anything but seamen. On the other hand, the minister says he has a letter, or it may be a report, or, he says now that it may be a telegram, from Capt. Bernier, denying that he gave these interviews. At first he described it as a letter over Capt. Bernier's signature. This implies a short document which could easily be produced before the House. After that, under the fire of the questions to which he was subjected, he changed his base and said that it was a report. Why? Because a report would be a long document which it would be more difficult to bring before the House. He says now that it may be a telegram. We have a right to know what it is. We have had a suspension of the sitting of the committee for two hours and the hon. minister has had time to get this report, or letter or telegram—whichever it may be—and bring it before this committee. I state again that the reason that he does not produce it is that he is afraid that the statement contained in the letter will contradict what he has said in this committee. Is this going to be another suppression of a document? Is this document marked 'private' or 'confidential'? Is this a private document that will be brought down only if and when it helps the case of hon. gentlemen opposite? Are we to have the suppression of a document which is asked for and which should be here when the estimates of the department are under discussion, especially after my hon. friend has said that he will produce it? He knows very well that even if I put a notice of motion on the paper for the production of the document I should have no opportunity to move that motion this session, because yesterday was the last private members' day? My hon. friend will not produce the document which will probably contradict his statements in this committee; he will not produce the document which will probably be his condemnation. This is not a trifling matter, it is not a trivial matter; it is not a matter which this committee should not discuss. I say again that the attention of the people of the province of Quebec has been called to this matter and that ever since the 'Gauss' arrived the press has been full of these reports and accusations. This is a matter in which the press and the public in the province of Quebec are taking a deep interest. This is not a trifling matter. When an hon. gentleman tells the House that he has a letter or a telegram, he is bound to produce it. What does the hon. gentleman mean by my experience? Does he want me to talk about his? I think he had better leave the question of experience alone.

Mr. PREFONTAINE. We are not discussing the item of the 'Gauss' at present. When that item comes before the House will be the proper time to produce all the documents in connection with it, and I invite the hon. gentleman then to be present. He will then see that none of the documents which will be filed by me will contradict anything I have said. But we are not discussing that item now.

Mr. CASGRAIN. My hon. friend is wrong again. We are discussing item 191, the first sub-item of which is maintenance and repairs of government steamers.

Mr. PREFONTAINE. That does not apply to the 'Gauss' at all. It is not mentioned.

Mr. CASGRAIN. Is the 'Aberdeen,' or the 'Minto,' or the 'Lord Stanley' mentioned?

Mr. PREFONTAINE. Yes; in explaining the item I said it related to them.

Mr. CASGRAIN. The 'Gauss' is a government steamer, and I have the right to know all about it on this item.

Mr. DEPUTY SPEAKER. Just before the hon. gentleman came in we passed the item.

Mr. INGRAM. On the understanding that it could be discussed again.

Mr. DEPUTY SPEAKER. I have no objection to its being discussed, but when the point of order is raised I have to rule.

Mr. SPROULE. The hon. minister must know that before the item passed I rose to speak, when he consented, in reply to my hon. friend from Bothwell (Mr. Clancy), that the general discussion might take place on any of the sub-items.

Mr. PREFONTAINE. There must be a misunderstanding somewhere. When the item of $250,000 came before the committee, I enumerated every steamer to which it applied, and the 'Gauss' was not mentioned at all. When the item concerning the 'Gauss' comes up all the documents will be produced, but I should not be asked now to produce any part of the documents. There is an investigation to be made by Captain Spain, and Captain Spain's report will be submitted. The proper time to submit every document will be when the item is submitted, and that can only be in the supplementary estimates.

Mr. SPROULE. I arise more particularly to vindicate our rights as an opposition. On this item of repairs to government steamers I claim that we have the right to discuss the 'Gauss' or any other steamer owned by the government. Last year on this same item we discussed the maintenance and repairs and sale of government steamers, which had gone out of the possession of the government. This may not be the most opportune time to discuss matters connected with the 'Gauss,' but we have the right to do it.

Mr. PREFONTAINE. Well, I do not think it is right to ask me to produce a part of the documents and bring down an incomplete return on an item that does not affect this particular steamer, the 'Gauss,' at all.

Mr. CASGRAIN. We are here discussing the repairs to government steamers, and are not to be silenced. There is a very easy way of settling this matter, and that is by moving that the committee rise. The hon. gentleman is in a corner and is trying to get out of it. I have had him in a corner before in other cases. He is simply raising the point of order so as to prevent discussion. He is bound to produce this letter and refuses to do so, probably either because it contradicts his statement or does not exist. I have made the charge and the country can judge between us.

Mr. T. I. THOMSON. Supposing there was no expenditure on the 'Stanley,' have we not the right to discuss anything relating to that vessel on this item ?

Mr. PREFONTAINE. I have not said that you have not.

Mr. T. I. THOMSON. Does the hon. gentleman say that Captain Bernier was given a free hand in selecting his crew ?

Mr. PREFONTAINE. Yes.

Mr. T. I. THOMSON. At Owen Sound, where there are two government vessels, it was the custom up to 1896 to leave the selection of the crew to the captains. In 1896 the president of the Liberal Association practically dictated to the captains of these vessels the men they should employ, and what was the result ? Why, take the crew of the 'Petrel,' and if it landed at any town in Canada it was a pleasure to see that crew go ashore. There was uniformity in size and there was discipline.

Some hon. MEMBERS. Hear, hear.

Mr. T. I. THOMSON. I mean before 1896. To-day you have no unifomity in size, and if it was ever intended for a small navy it has deteriorated under the present system. The captains do not select the crews, but are dictated to, not by the minister or by any official of the department, but by the president of the Liberal Association in that riding.

Mr. BENNETT. I wish to refer again to the sale of the steamer 'Bayfield,' which was discussed last year. On page P—164 of the Auditor General's Report will be found some very severe strictures by the Auditor General upon this transaction, by which this boat was sold for half her value to a friend, not a personal friend of the minister, but to a firm who are strong political friends and allies of hon. gentlemen opposite. The letter to which I refer is as follows :

Audit Office, Ottawa, June 10, 1903.

Sir,—I have received your letter of the 6th instant, inclosing a report of Wm. J. Stewart of your department, dated February 17, 1903, in which he values the steamer 'Bayfield' at $7,000. With that letter is inclosed also the offer of $3,250 by John Harrison & Sons Co. for the vessel, dated March 12, and on this letter is a note signed by Wm. J. Stewart recommending the acceptance of the offer. No explanation is furnished why Mr. Stewart valued the vessel at $7,000 on February 17 and recommended her sale in March for $3,250.

Was the vessel valued by any other officer or builder—the captain in charge, for instance ?

Was there any reason to fear that the country might have suffered by calling for tenders in this case.

I am, sir, your obedient servant,

J. L. McDOUGALL, A.G.

The Deputy Minister, Marine and Fisheries.

In the last few lines of this letter I think there is a certain amount of sarcasm—

Was there any reason to fear that the country might have suffered by calling for tenders in this case ?

Here is an official of the department in February stating that the vessel in his opinion is worth $7,000 and within a month, in the fulness of his heart and his great liberality, he hands her over to party friends for $3,250. No excuse as to the unseaworthiness of the vessel will serve, because her new owners have employed her on the Georgian bay waters in all kinds of weather towing logs, not only risking the vessel, but valuable rafts of logs behind her. Thus the vessel was in a seaworthy condition when she was sold, and the minister, without any authority or any right from parliament, or even from his colleagues in the cabinet, because there was no Order in Council, turned around and makes a present of the vessel to party friends for half its value.

Mr. PREFONTAINE. Last year I gave all explanations in connection with this, and I have nothing to add to what I then stated, which can be read in 'Hansard.' I stand by the bargain of last year, which I think was the best that could be made under the circumstances. If the hon. gentleman wants to use it as campaign literature, as he said last year he did, he is welcome to it. I have read the Conservative papers since then, but I do not see that it was contained in any of the pamphlets since published. In order to put the thing as clearly as possible before the House, I shall read a letter which I have here from John Harrison & Sons Company, Limited, the present owners of the vessel, which bears out what I said last year. I said that the disposal of the boat at $3,250 was a good sale, because the boat was a charge to the department and could not be used satisfactorily for the work to be done ; the officers would not risk their lives on her on Georgian bay waters, and she had to be sold. We took offers, and the offer of John Harrison & Sons Company, Limited, was considered the best, and a reasonable offer.

Commander W. J. Stewart, of the Department of Marine and Fisheries, an old employee of the department, appointed under the old government before 1896, a man not likely to be suspected of any leanings towards our party, took upon himself to make the recommendation. I myself knew nothing of the boat, and the other officers of the department here did not know anything of her value or of the opportunity of selling her. We relied entirely on the recommendation of Commander Stewart and on the opinion of other officers who have technical knowledge. The letter of Messrs. Harrison & Sons Company, Limited, is as follows :

Owen Sound, Ont., Canada,
March 25th, 1904.

Commander W. J. Stewart,
Department of Marine and Fisheries,
Ottawa.

Dear sir,—With reference to the old steamer 'Bayfield,' now the 'Harrison,' which we purchased from the department about a year ago, owing to some unfair remarks made by some of the members last session, we feel it our duty to advise your department that as we expected at the time we purchased this boat, we now have to put in a new engine. Though the old engine is still as good as when we bought the boat, on account of it being weak at the main bearing and a high pressure engine that would consume a larger quantity of coal than could be paid for out of her earnings, we are unable to sell the old engine for more than scrap iron price and have already disposed of it for this purpose. We have not yet received the weights, but expect to realize about $100 out of the engine.

We have to put in a new engine, shaft and propellor this winter, as well as other necessary repairs and when we get through we will have a boat that is in her forty-second year.

However, we happen to have a lot of timber to move on the Georgian bay and hope to use her to advantage in our own work.

Thinking it possible there might be something further said regarding this during the present session, we wish you would be good enough to give the department these particulars.

Thanking you for your favour.

We remain, &c.,

'Sgd.) JOHN HARRISON & SONS Co., LTD.

These are the facts in a nut shell. I knew nothing of the boat myself, I acted entirely on the opinion of my officers especially that of Mr. Stewart who had used the boat on the Georgian bay for surveys, and who considered her unsafe. Mr. Stewart declared that neither his assistants nor himself would risk their lives in it, and that is borne out by the letter of the purchaser who said that they could not use the boat without renewing the engine, because she would consume more coal than she could earn.

Mr. BENNETT. The minister should have read to the House the letter written by the department asking the Harrison people to write that letter.

Mr. PREFONTAINE.

Mr. PREFONTAINE. There is no such letter in the department. I did not know of the existence of the letter until just now and I am informed that it was addressed to Mr. Stewart voluntarily.

Mr. BENNETT. It seems odd that Mr. Harrison should go to the trouble of writing this letter. The defence of the minister now is that he acted exclusively on the opinion of Mr. Stewart.

Mr. PREFONTAINE. Not exclusively. I consulted Mr. McElhinney our technical nautical adviser and he concurred in the opinion of Mr. Stewart.

Mr. BENNETT. There is nothing in Mr. Stewart's letter saying that the boat was unsafe. He writes : To-day I think she is worth $7,000. Yet in the face of that report the minister deliberately makes her a present to one of his party friends for $3,250. I admit that they put a new engine in her, but this only goes to prove that the hull was sound. The minister has also a report from the captain that a party in Owen Sound was willing to give $5,000 for the boat.

Mr. PREFONTAINE. Where is that offer ?

Mr. BENNETT. Mr. Stewart's letter of the 9th of February says :

I telegraphed Captain McGregor and Mr. Nisbit, the engineer, for valuations. The former answered $7,000, that is as to her value. I could get $5,000 cash for her in Goderich.

That offer was on record in the department, and yet the minister spurns the $5,000 and sells her to party friends for $3,250. Last year the excuse of the minister was that the cost of advertising would amount to a couple of thousand dollars, but we had not those letters before us to show that he could get $5,000 for her in the town of Goderich.

Mr. PREFONTAINE. Does the hon. gentleman know that when this offer was accepted the man backed out of it ?

Mr. BENNETT. Will the minister produce the statement from the Harrisons that they backed out of that bargain for $5,000 ?

Mr. PREFONTAINE. They never made an offer of $5,000.

Mr. BENNETT. Certainly they did not, because they had the minister's assurance that he was going to make a present of it for $3,250.

Mr. PREFONTAINE. That is pure fabrication ; that is invention.

Mr. BENNETT. It is fabrication on the part of the minister who said that the Harrisons endeavoured to get out of that bargain.

Mr. PREFONTAINE. I never said anything of the kind. I said with regard to the pretended offer of $5,000, that the parties did not come up to the scratch.

Mr. BENNETT. Who made the offer of $5,000 ?

Mr. PREFONTAINE. I don't know.

Mr. BENNETT. There was the report of Captain Stewart that a man in Goderich would pay $5,000 cash for her.

Mr. PREFONTAINE. Instructions were given to Captain McGregor to close the bargain for $5,000, and the result was that the man did not come up with the money.

Mr. BENNETT. It is curious that all the documents the minister can get on record are those which implicate him, and that he did not send any of these exculpating documents to the Auditor General when that official wrote to him asking if he were afraid that at an open sale the boat would bring a higher price. The fact is that the minister in the fulness of his good nature—and I am willing to attribute to the minister a large fund of that quality when he is dealing with the public property and when at the same time he is endeavouring to ingratiate himself with his supporters; particularly in the province of Ontario—in the fulness of his good nature, notwithstanding that his officers valued the boat at $7,000, he sells her to the Harrison people, who are very important Liberals in the town of Owen Sound, for $3,250. I admire the good nature of the Minister of Marine, but it is unfortunate that he practices it at the expense of the taxpayers of Canada. I have another example of that in my own riding. A few weeks ago in the fulness of his heart, he made a party friend a present of $4,000 or $5,000 worth of timber for $100. The Minister of Marine wants to make a reputation for himself as a good fellow, at the public expense and particularly with his supporters in Ontario, and here he gives a large tract of valuable timber in the riding of East Simcoe for a paltry $100, which if it had been put on the open market would have sold at from $3,000 to $5,000. The minister must know that while he may defy public opinion by giving away that which is not his without open competition, so far as I am concerned I will discuss these matters.

Mr. WILSON. I wish to call the attention of the Minister of Marine and Fisheries to a promise which he made to me on Friday last. We were discussing the placing of buoys in the Napanee river, and I asked him for the correspondence that had taken place between Mr. Mowers and those who represent him and the department. He promised to send me the information last Saturday by mail. I do not know whether he mailed it or not, but I know that it has not reached me.

Mr. PREFONTAINE. I do not remember that the hon. gentleman asked for the correspondence. I remember that the question was brought up, and I said I would give the information, and I am ready with the information at the present moment. In 1903 the department made a contract with Mr. Blakely Mowers, of Napanee, to perform the buoy service on the Napanee river at $60 per annum. The contract was made for one year instead of three, because the department expected to take up this buoy service with the steamer 'Scout' some time during 1904. The contract of Mr. Mowers was dated 1st June, 1903, to terminate one year from the date of it. Mr. Mowers was paid $60 for the work of 1903. It was expected that he would place the buoys in the spring of 1904, and he was instructed to do so on the 10th May last, and informed that his contract did not terminate until 1st June, 1904. A letter was received from Mr. R. A. Leonard on the 7th May last, on behalf of Mr. Mowers and another from Mr. W. S. Herrington. Copies of the answers to these letters are attached. They show that Mr. Mowers was instructed to place the buoys, and also informed that the department would pay for placing them this spring in addition to what had been paid before. It has been found that the 'Scout' could not attend to the buoy service this year, but it was expected that Mr. Mowers would place the buoys in accordance with the terms of his contract and furnish his account for payment. On the 26th of May, Mr. Herrington stated that if the department would make clear that Mr. Mowers was to be paid for placing the buoys this spring, he would go on with the work. He was a second time assured, through Mr. Herrington who wrote his letters, that he would be paid for putting out the buoys. The department has no harbour master or other officer at Napanee to superintend the work. Tenders have been invited for placing the buoys for the next three years.

Mr. WILSON. I would like to know why the minister refused to give the contract to Mr. Mowers. He has done the work for over a dozen years, and done it satisfactorily, I believe. I have a letter in my possession from the department dated the 17th of April, 1903, which authorized him to go out last year and place the buoys. If I understand the matter correctly, the department wanted him to go out this spring and place the buoys as part of his contract, as it was dated in July. I think it was most unfair to expect him to do so. All he had to do was to place the buoys in the spring, see that they were kept in place during the season of navigation, and take them out in the fall, and his contract was complete. I would like to have the correspondence. The minister has only given me a summary of it. The statement he makes is very different from what I understand the facts to be.

Mr. PREFONTAINE. There is no objection to giving the hon. gentleman a copy of all the correspondence.

Mr. WILSON. When shall I get it ?

Mr. PREFONTAINE. As soon as it can be copied.

Mr. CASGRAIN. The hon. minister promised me before dinner a list of the grocers in Quebec who asked leave to tender for supplies.

Mr. PREFONTAINE. The hon. gentleman will get it within the next twenty-four hours.

Mr. CASGRAIN. Now is the time to have it.

Mr. PREFONTAINE. The hon. gentleman does not suppose that I am going to send for all the books of the department and have them laid on the table of the House.

Mr. CASGRAIN. Not at all. The hon. minister does not need to go through all the books of the department to get the names of these grocers. There are not more than three or four of them. I never before saw a minister refuse such information when his estimates were up.

Mr. PREFONTAINE. The hon. gentleman has no right to say that I refused information when I tell him that it will be before the House in the next twenty-four hours.

Mr. CASGRAIN. What the hon. gentleman says amounts to a refusal, because he knows that within twenty-four hours we shall be probably off this item.

Mr. PREFONTAINE. Whether we are off this item or not, the list will be on the table of the House to-morrow.

Mr. CASGRAIN. But I have some remarks to make, and I cannot make them until I have the names. Now is the time to have them. We cannot get information from this department, because the fact is that the hon. gentleman does not know anything about his department. We have got no information about any of the items brought before the committee, although we have tried to get it. We have used a corkscrew to get the information from the hon. gentleman, but the corkscrew does not work.

Mr. BENNETT. I am beginning to think that the reputation of the minister for good nature is so well known that people take advantage of it. I think that was the case with the Harrison firm of Owen Sound. I thought, after the disclosures that had been made, that the minister would have come here in a penitent frame of mind, and would have assured the House if any sales of timber or anything else were to be made in future, the wholesome rule of open tender would be followed. But the minister is hard-hearted. He is asking this committee to vote him large sums of money as a minister of the Crown. It is not only in reference to the moneys entrusted to him, but also in reference to any part of the public domain in his charge that we have a perfect right to discuss his actions ; and in that connection I propose to discuss the question of giving away a large quantity of very valuable timber on a lighthouse reserve on the Georgian bay. Among other islands on which lighthouses are situated is the Hope island, one of the group called the Christian Islands. This island has for a long time been regarded as a very rich timber reserve. Of course, it was under the Department of Indian Affairs, and a few years ago, on representations made by the Marine Department, the Indian Department gave a hundred acres of timber land on that island to the Marine Department. It was never expected that this was going to be exploited by party friends, but it was given with a view of affording cordwood for the lighthouse-keeper on that island. To the surprise of the Indians, who had given it up for nothing, and a number of Liberals in that part of the country who for years have cast longing eyes on that reserve, last winter a party friend made application to the hon. minister through a member of this House, and without any competition that one hundred acres of valuable timber was handed over to him for a pittance of $100. I am going to read the correspondence in connection with this matter.

First, let me state that it was no vile Tory who got this property. It will be fair to assume that it was a close personal ally of hon. gentlemen opposite, and that close personal ally was not my opponent in the last campaign and my prospective opponent in the next, but his son and business partner. Here was the timber on this 100 acres of land—certain parts of it referred to in the correspondence—sold without competition to the partners of the ex-Liberal candidate in that riding for the sum of $100. Had that timber been sold by public auction it would have brought considerably over $3,000 The correspondence started in 1903, and the following letter was written on the 19th of August :

House of Commons,
Ottawa, August 19th, 1903.

Dear Mr. Préfontaine,—A constituent of mine is desirous of purchasing the cedar and basswood timber on the lot owned by your department on Hope island in Georgian bay. Your department bought the tract to supply fuel for lighthouse and require only hardwood.

Col. Anderson, whom I saw to-day, informs me that it is the practice to sell the soft wood and that he recommends the sale provided I arrange price with you.

My correspondent tells me that cedar and basswood is sprinkling only and much of it blown down. It rots quickly thus. He offers $100 for the cedar and basswood, asking that he

be allowed two or three years to remove it, at the same time not to damage your hardwood.

Duck island, Col. Anderson tells me, was so disposed of. My own acquaintance with the Hope island convinces me that the price is fair, as in the 100 acres. When the beech and maple is so thick there cannot be a great deal of cedar or basswood and hemlock.

Perhaps you would be good enough to intimate to me what further assurance, if any, is required, that I may write my friend, and to note for the meantime his formal application.

Very sincerely yours,

GEO. D. GRANT.

In the first place, my hon. friend from North Ontario (Mr. Grant) makes the statement that Mr. Chew is a constituent of his, but as a matter of fact he is not. He is a resident of East Simcoe and not of North Ontario. I admit that the hon. minister might have obtained the idea from that letter of handing over the property for the sum of $100, because the hon. member for North Ontario assures him that he knows Hope island and that the price is a fair one. This island is some thirty miles from Midland. I have been on it once, and I know it is heavily wooded. I do not know how many times the hon. gentleman was over that island or what knowledge he has of the value of timber, but even if, in the face of his personal assurance, the minister might have been somewhat misled, it was the duty of the minister to have put that timber up at public auction. I am going to give all the facts, because I grant that the minister did do something in the premises which perhaps may buttress the position he took afterwards. A letter was written by the department to the lighthouse keeper asking him to report on the value of the timber. Perhaps I had better read that letter :

Ottawa, 25th August, 1903.

Sir,—Mr. Grant, M.P., writes the Minister of Marine and Fisheries that a constituent of his is desirous of purchasing the cedar and basswood timber on the lot owned by this department on Hope island, the tract of land upon which the timber grows having been bought by the department to supply fuel for the lighthouse, but that hardwood is only required for that purpose. Mr. Grant further states that the practice has been to sell the soft wood, much of which is blown down as it rots quickly, and the purchaser is allowed two or three years to remove it, precautions being taken that he does not damage the hardwood.

I have to request you to report to the department as to the quantity of basswood and cedar you suppose is on the land in question, and to state what you consider would be a fair price therefor.

I want to call attention particularly to this fact, that when the deputy minister writes to the lighthouse keeper he only asks a report on the basswood and cedar, and makes no mention of any other kind of timber. This lighthouse keeper has his lighthouse some twenty miles away from the post office, and it has been suggested to me that intimation was given certain parties that the letter would be waiting the lighthouse keeper at the post office. Be that as it may, the letter did reach the lighthouse keeper, and I want the House to listen carefully to his report :

I think it is a wise idea to sell all the soft wood, because there is a good deal of it going to waste every year.

As to the quantity of basswood and cedar in feet, there is between fifty and sixty thousand feet to the best I can judge.

Is it not very likely that the interested parties took the letter out to the lighthouse keeper and suggested to him his report, because, although he was only asked to report on the cedar and basswood, he goes on to report on the hemlock and elm ? The fact is that Mr. Chew wanted to get, not only the cedar and the basswood, but the hemlock and elm, and persuaded the lighthouse keeper to give a favourable report. I tell the hon. minister now what he ought to know, because an official of his department has been out there of late. In order to get a favourable report from the lighthouse keeper, they gave him a contract for taking off the timber. Here you have this man acting in a double capacity. You find him acting as agent for the department and at the same time as contractor for the party applying to the department. Is the hon. minister aware that his lighthouse keeper was busy some months with three or four men taking off part of the timber ?

Mr. PREFONTAINE. I knew nothing about it.

Mr. BENNETT. Does the hon. gentleman know now ?

Mr. PREFONTAINE. I do not.

Mr. BENNETT. The hon. gentleman's official must have known about it, because he was out there a few weeks ago. Here is the whole plan laid bare. First they endeavoured to get in touch with the lighthouse keeper so as to secure a favourable report. How did they do that ? They pointed out to him that he could put in his days taking off the timber, and that would not interfere with his attending to the lights at night. After the deal was carried out, the $100 were handed over to the department by the hon. member for North Ontario. Mr. Chew was then given the timber. Forthwith Mr. Chew put in a large complement of men. I am informed that there were some fifteen men there two and a half months, with three teams of horses, getting out timber during the past winter from that island.

I am informed that there were some fifteen men and three teams there for two months and a half. And I have information—and information that I believe to be correct—that not less than 150,000 feet of

lumber were taken off the island. It is all right for the hon. gentleman to try to shelter himself behind the statement that this was fallen timber. But any one who knows anything of the nature of basswood knows that basswood that had fallen would be utterly useless, because it is a kind of timber that rots quickly. And any one who knows anything of the value of timber, knows that basswood in the form of boards is worth at least $30 a thousand feet. It is a desirable class of wood and hard to get. Well, the minister, on the report of the hon. member for North Ontario who pledges his word that, from his acquaintance with the island the timber is worth $100 and of the lighthouse keeper who says that it is worth $200 the hon. gentleman passes it over to the party's nominee in the riding for $100. I called his attention to it and I moved for the correspondence, and I am informed that he allowed the party to take the timber that, despite what the hon. gentleman has said, I am informed is worth over $1,000. Then, where is the minister with respect to the balance? These parties are allowed to take off the balance. And the Indians on the reserve are protesting most vigorously against this timber being handed over to the hon. minister's party friends. In his zeal to please his party friends he has done in this case what he did in the case of the 'Bayfield.' The hon. gentleman seems to take the position that, no matter what it costs the country, the party's friends must be provided for in order that the minister may get the reputation of being a good fellow, even at the public expense. The hon. gentleman must learn—at least we must endeavour to teach him—that the public domain and vessels owned by the Dominion are not his personal property; and, if they are to be sold, they must be sold in the honest, wholesome manner of public competition, so that the people may get a fair return for what they sell.

I had occasion to visit home a couple of weeks ago. Mr. Chew came to me and said: What are you doing about that timber? Why don't you let me take it away? I said: I have nothing to do with it; I am only making a protest against the department giving away the public property without competition. It is not proper and it is not fair. Instead of giving you this timber for $100, it should have been offered by public competition and let everybody have a chance at it. In the course of conversation Mr. Chew told me some further circumstances of the case. And when I said he was getting a big thing in having this timber sold to him for $100, he said he had to pay $50 more. I said: Why in the name of all that is good, had you to pay $50 more? He answered: I had to enter into communication with the brother of the hon. member for North Ontario (Mr. Grant) and had to pay him $50 for his services. So, what do we find the proposition to come to? A gentleman outside makes a representation to a member of the House, and the member of the House makes a personal representation to the minister. I do not know whether my hon. friend from North Ontario will say that he has been on the island and has a knowledge of the value of the timber, or that what he represented in the matter was based on his acquaintance with the locality and knowledge of the value of timber, but there is the statement of Mr. Chew, made before half a dozen people and quite openly, that he had to pay $50 to a gentleman on the outside to get the timber. Mr. Chew naturally asks why, if the department want to sell the timber to him for $100 he should not have it. If Mr. Chew or anybody else can get $3,000 or $4,000 worth of property for $100, that is not his fault. The fault lies with the department in allowing it to be done. This kind of thing will incite others to make raids on the treasury. True, it is not a big raid. It does not bear the same proportions as the Grand Trunk Pacific or the purchase of the Canada Eastern Railway. But it seems to be the policy of this government, in small matters as in great, and in every department, to have men on the outside who can use influence to bring about such results as we see here. The brother of the hon. member for North Ontario gets $50 out of the transaction. Mr. Chew gets $3,000 or $4,000 worth of timber, and the long-suffering country gets $100. I think it is only fair to this committee and to the country that some explanation of the matter should be given by the hon. gentleman who presides over the department.

Mr. PREFONTAINE. The contract which the hon. gentleman (Mr. Bennett) holds in his hand speaks for itself.

Some hon. MEMBERS. Oh, oh.

Mr. PREFONTAINE. I do not see anything to laugh at. I say the contract speaks for itself. The timber on the island was sold for $100 on the representation that it was worth $100. Some people say it was worth more. Well, when it is cut down and transported and sawn into boards I suppose it is worth more. But I suppose also that the man who does all this work expects to get something for it.

Mr. BENNETT. If the hon. minister will allow me, there is one matter that I forgot. I find—and I am confident that the minister will not deny it—that instead of restricting himself to the cutting of cedar and basswood, this gentleman has trespassed and cut other timber as well.

Mr. PREFONTAINE. Well, is the hon. gentleman (Mr. Bennett) prepared to say that this party is relieved from paying for what he has cut ? If he says that, on what authority does he say it ? How can the department, here in Ottawa having made a bargain, infallibly prevent people at a distance from going beyond the terms of that bargain ? The contract as I said, speaks for itself. The man had a right to take a certain quantity of timber which was recommended to be sold as being of scarcely any value, the sale being to the advantage of the department. If the timber is said to be worth a good deal more, surely some proof of that should be offered. But it is said that other timber was cut by Mr. Chew. It was because information of that fact came to the department that an official was sent up to investigate. He found that more timber had been cut than was contracted for, and so a stumpage of $2 a thousand feet was charged Mr. Chew before he could take away the timber that was not included in his contract. Where, then, is the blame to the department ? It is said that $50 was paid to some gentleman outside. I do not know on what ground that allegation was made. But, in any case, in what way can it affect the department when the department have taken all the necessary precautions to secure the public interest ? If Mr. Chew has chosen to cut more timber than he had a right to cut under his contract, he will be called upon to pay for it—that is all.

Mr. BENNETT. On the 10th of May last I wrote to the minister a letter in the course of which I asked whether any officer of his department had been cutting under contract for Mr. Chew, and was still doing so. I do not know whether any of the logs have been removed or not. But, on the 10th of May he had an intimation that either the lighthouse keeper or some one else in his department—and it could hardly be any one else—had been doing the cutting for Mr. Chew. He had then an opportunity to find out whether the department had been overreached or not. He had had an opportunity to find out since. I do not know what this report is, but I am going to ask the minister if he has an official report of the quantity of timber that was cut and lying on the shore, and what was the quantity ?

Mr. PREFONTAINE. Of soft wood, about 1,500 sticks.

Mr. BENNETT. And in thousand feet, how much ?

Mr. PREFONTAINE. In thousand feet of lumber which Mr. Chew is being charged for and for which he has consented to pay, there is 140,000 feet, for which he pays a stumpage of $2 per thousand.

Mr. BENNETT. The minister admits a stumpage of 140,000 feet, in addition to basswood and cedar cut under contract.

Mr. PREFONTAINE. How could it be proven ? It is a fact that has come to my knowledge only lately. But I am investigating the whole matter, and if the lightkeeper has been at fault he will suffer for it. I could not look after things of that kind before they are all over. There is a lightkeeper on Wallace island, who is defended by hon. members opposite, and who pretends that he owns Wallace island and he has sold $300 worth of property off the island to Mr. Morris, of Ottawa, and has collected the money. And now, because we are installing an automatic light at that place, he complains of all sorts of things, says that he is being despoiled, and has been deprived of what belongs to him, whereas the property belongs really to the government. These things will happen, and if this lightkeeper is at fault he will be dealt with accordingly. But until the government loses a cent, it is no use making such an outcry about it. We have acted in good faith, and on the information furnished to the department.

Mr. BENNETT. I know nothing about the Morris case. But I do know this, that here the minister had a valuable lot of timber on that island for the sale of which he admits to-day he has made a contract, and made it without competition, which he should not have done, and that after the party goes in there and cuts without leave or license from the department 140,000 feet of timber the minister instead as he should have done, saying to these parties: You have broken faith with the department and I will not permit you to have anything to do with this timber,—turns round and gives it to him at a stumpage of $2 a thousand. I want to tell the minister that hemlock timber to-day is worth $14 to $16 a thousand.

Mr. TOBIN. Where does the hon. gentleman get that information ? Does he get it from any lumberman in the country ?

Mr. BENNETT. I do not know what came out of that bubble ; I never saw much come out of that bubble.

Mr. TOBIN. If the hon. gentleman gets the information that hemlock is worth $15 a thousand he gets it from some one who knows nothing about the business.

Mr. BENNETT. I have paid more than than for it myself last year. Now here is the opinion of the minister. He had no right at all to act on this assurance of the member for North Ontario (Mr. Grant) as to the value of the timber. He knew that the member for North Ontario was not a practical lumberman. I do not know whether the minister had any conversation or not with that hon. gentleman, and whether the latter told him how many times he had been

on that island in order to ascertain the value of the timber. But I do know that when this timber was there for sale the minister should have made himself acquainted with its value, and when he found that he had been overreached by these parties, when he had fair notice that grave suspicion existed, that his own lighthouse keeper had not made a proper report on the value, he should at once have escheated or taken over the whole timber and sold it to the highest bidder, instead of handling it over to these people at $2 a thousand. In that part of the country where the deal is known the minister's conduct is not thought highly of.

Mr. GRANT. I cannot allow the remarks of the hon. member for East Simcoe (Mr. Bennett) regarding myself to pass unchallenged. My whole connection with this matter is set forth in the correspondence brought down on motion of the hon. gentleman. It shows conclusively that I acted in the matter simply out of courtesy to the gentleman who is a constituent of the hon. member for East Simcoe. It is quite true, as has been pointed out, that in the first part of my letter I made a lapsus pennae when I used the ordinary term, which is customary in such a letter, in saying that he was a constituent of mine, and the hon. gentleman has seen fit to take exception to that remark. As a matter of fact, Mr. Chew is not a constituent of mine, but he has the distinguished honour of being a constituent of the hon. member for East Simcoe. He sent me an application in regard to Hope island, asking to purchase the soft wood on that island which is the property of the Department of Marine and Fisheries, and I considered myself in duty bound to file that application with the department, as I shall always consider myself in duty bound, while I am a member of this House, to file the application of any gentleman, Reform or Conservative, in my part of the country, who wishes to do business with the department. I considered it an act of courtesy due to the applicant. Now the hon. member for East Simcoe has seen fit to go further in reference to my connection with this matter than my letter goes, and he says that I urged the sale of this timber upon the Minister of Marine and Fisheries. My letter will speak for itself on that subject. It is a portion of the return brought down, and a reference to that letter will show that I said that so far as my opinion went I thought $100 was a fair price for the soft wood, seeing that it was blown down.

Mr. AVERY. Had you gone over this land to see the timber before you made that report ?

Mr. GRANT. I wish to draw attention to the fact that the hon. member for East Simcoe has seen fit entirely to exclude from his speech the letter which I wrote on the 25th of August, in which I said that I believed, from the information given me, that the offer was a fair one, and furthermore I said : 'Of course, I cannot speak from personal knowledge, but I have reason to believe that the estimate is a fair one.' That was my statement, and by that statement I will stand. A number of persons told me, whose veracity I had no reason then to doubt, and that I have no reason now to doubt, that timber of the description mentioned was worth that sum of money, or thereabouts. The papers containing my application to the department show my whole and sole connection with the matter, as will be seen by the letters filed and brought down in the return. The hon. gentleman makes a reference to supposed conversations which he thinks must have taken place between the minister and myself. So far as my memory serves me, I think I am within the mark in saying that there was no conversation between the minister and myself regarding the matter. My connection with is is wholly disclosed in the correspondence, showing that I acted simply out of courtesy in passing on to the department the application of Mr. Chew. More than that, the hon. gentleman makes a comment upon the purchase price, if I did not mistake his remarks.

Mr. BENNETT. That is so endorsed on the original papers. There is a memorandum endorsed which says : 'Memo, $100 was paid in by Mr. Grant, M.P.'

Mr. GRANT. My recollection of the matter is that the letter received by me from Mr. Chew inclosed the sum of money mentioned in the letter, $100 which I forwarded on to the department. I simply did on that occasion as any other hon. gentleman in this House would do. I did not keep the money, as we have heard of some other hon. gentlemen doing on a previous occasion in this House. Now, Mr. Chairman, I do not know what the hon. gentleman's reference or insituation means.

I have only this to say and to say it most emphatically, that so far as this transaction is concerned, I acted simply as a matter of courtesy to a gentleman who lives in the same county as myself. I undertook nothing as to values, except to say that as far as I knew the island, and as far as I had been informed in reference to the timber on it, the price seemed to be a fair one. Now, as to the question of the hon. member for Addington (Mr. Avery) I have not traversed this island, I have passed it in the Georgian bay and have seen it, and from my observation and from the fact that it was bought for lighthouse supply purposes, for which hardwood only is required, I am convinced that it is not apt to be very heavily timbered with soft wood, particularly as there is only 100 acres in all involved. The hon. gentleman has not only not been fair, but has not disclosed all that the return brought down will disclose. As a matter of fact the lighthouse keeper to whom the question of values

was referred, reports to the department that there are four kinds of soft wood on the island. He says :

I consider that the cedar, the basswood, the hemlock and the elm are worth about $200.

Now the department concluded to sell to Mr. Chew not all these four kinds of timber but simply all the cedar and basswood, just half the timber, and it requires little mathematical skill to prove that if the four kinds of timber are not worth more than $200 the cedar and the basswood are not worth a very large amount of money. I do not know whether or not some hemlock or wood other than that specified in the agreement has been cut by Mr. Chew. With that I am not concerned, for I am sure that if that has been done the minister will see that it is paid for at a fair market price. I desire to call attention to the fact that the conditions under which Manley Chew bought the timber from the Marine Department are extremely onerous. The hon. gentleman (Mr. Bennett) quoted from the agreement but did not quote the onerous conditions which must necessarily result in a considerable reduction in the value of the timber bought under these conditions. It is an agreement dated September 4, 1903, whereby Manley Chew agrees to purchase from the department, &c., &c.

The timber cut under this agreement shall consist of cedar and basswood only.

Which endorses my statement of a moment ago that the hemlock was not included in the agreement for sale, but was included in the estimate of the value made by Mr. Vallee. As I understand the purpose of the Marine Department in acquiring this and other lighthouse plots is to have hardwood available for lighthouses and lighthouse keepers. It is part of the policy of the department to part with the soft wood which is not necessary and which is a source of danger as it is apt to fall down and ignite. In most cases of course the lighthouses are remote from any habitation and it is very necessary that the greatest possible precaution be taken against fire. For that reason the department is frequently anxious to get rid of soft wood. More than that, as the agreement sets forth, they require the person taking the soft wood to carefully underbrush the places where he cuts the wood, and where roads are made, and to cord the wood taken from the roadways for the lighthouse keeper. I leave it to any practical lumberman if the appending of such onerous conditions as those in the contract will not considerably reduce the value of the timber taken under these circumstances. More than that the hon. gentleman has not stated that this timber is situated on an island which is, if I am not mistaken, some thirty or forty miles from the nearest available sawmill. I have been informed by Mr. Chew that as a matter of fact, owing to the expense involved in establishing a camp on the island and getting out the timber, he has not made a copper out of this transaction. I do not know how much timber Mr. Chew has taken from the 100 acres, and of course if he has taken timber not covered by the agreement he should pay the department and the country for it, and I have no doubt he will do so. That of course is a matter for the Minister of Marine. The question as to how much standing timber there is even on as small an area as 100 acres is always more or less open to speculation. I do not know how much Mr. Chew has taken out and it is not a matter of particular moment to me. I know however the estimate that the Department of Marine, acting on the advice of their officer living on the spot, placed upon it. The hon. member for East Simcoe (Mr. Bennett) has seen fit to insinuate that the lighthouse keeper who made this report has been tampered with in some way. I understood him to say that the report should not be relied upon owing to the fact that the lighthouse keeper has been employed by Mr. Chew at a daily wage for cutting down some of this timber.

I do not know particularly what the character of the lighthouse keeper is ; but I understand that he has been there for some years and, so far as my information goes, he is not the sort of man who would be turned aside from doing his duty in the public service by the offer of a day's pay for a day's work. It is not creditable to the hon. member (Mr. Bennett) to make such insinuations in this House against a man in humble circumstances, a man who lives on a remote island, and who is in no way capable of defending himself against such attacks. I am here to say that so far as I know Charles Vallee is an honest man, and a man who could not be bribed. The hon. gentleman (Mr. Bennett) has seen fit to refer to a brother of mine, who is a practising solicitor in the town of Midland. I would not expect the hon. member for East Simcoe to rise to speak on any matter in this House without making some personal and, perhaps, offensive allusion to one of his fellow-members, no matter how remote the subject he is discussing may be from such a personal reference. The hon. gentleman has seen fit to say that when the sale of the timber on Hope island went through, as a coincidence, or as a complement, or, he almost said, as a condition of its going through, the sum of $50 was paid to the brother of the member for North Ontario (Mr. Grant). I do not know whether that money was paid to my brother or not; I do not know whether or not he got that money for his services, but I know he is a practising solicitor in the town of Midland, and if he is like some of the other solicitors practising in that town, I expect he will collect his fees. It is not so very long since we had it disclosed in this House that the

hon. member for East Simcoe, in a transaction which occurred between him and this same Mr. Chew, or a relative of his, in relation to a dock site in Midland involving $400, tolled Mr. Chew to the extent of $30 or $40 for solicitor's fees. The record will show that the hon. gentleman (Mr. Bennett), or his firm, benefited to that extent. As I understand it, my brother has been acting of late as Mr. Chew's solicitor. I do not know that the hon. member for East Simcoe (Mr. Bennett) quarrels with Mr. Frederick Grant because he is acting as solicitor for Mr. Chew, but I suppose Mr. Chew is at liberty to make any choice he wishes. If Mr. Chew employs the firm or Storey & Grant to send an application down here, to transact the necessary correspondence, to see to the conditions of the agreement, and to do all that is necessary for the closing up of this transaction with the Marine Department, I have nothing to do with that. Neither have I to do with the further fact that Mr. Chew paid that law firm their fees. Mr. Chew is free, I suppose, to deal with the firm of Storey & Grant in Midland, with which I have no connection in the world, and it may be that he was charged a fee for the legal business in connection with this transaction. The hon. gentleman (Mr. Bennett) did not find the generosity in his nature to state fully to the House the fact, which he knew very well, that Mr. Frederick Grant was a practising solicitor in Midland. The hon. gentleman knew very well that if Mr. Frederick Grant got $40 or $50, he got that as a fee for acting as a solicifor in the case. The hon. member tells us that Mr. George Chew himself told him that he paid the fee. But still the hon. member (Mr. Bennett) would leave the House under the impression that Mr. Frederick Grant was rewarded in some degree for procuring for Mr. Chew the purchase of this timber. As a matter of fact, I do not suppose that the Minister of Marine is at all acquainted with the firm of Storey & Grant practising in the town of Midland. At all events, they had a perfect right to collect their professional fees. We have the word of the hon. member (Mr. Bennett), which I am prepared to take, that Mr. Chew told him he paid a firm of lawyers in Midland $50 for attending to the business in connection with this matter. Well, that law firm has as much right to charge for their services as the hon. member's firm has to be paid for their services in connection with the transaction which was ventilated on the floor of this House within the last few weeks. But perhaps this whole matter, as between the hon. member for East Simcoe (Mr. Bennett) and Mr. Chew, is explicable by the fact that Mr. Chew is the prospective Liberal candidate in East Simcoe. No doubt the hon. member for East Simcoe takes this chance in the House, as he takes very many other chances, to discount in advance the gentleman who, it is rumoured, will be his opponent in the next election. As a matter of fact, I understand that Mr. George Chew has personally absolutely no interest in this matter, but that Mr. Manley Chew, who is a relative of Mr. George Chew, the Liberal candidate in East Simcoe, is the person concerned. The hon. gentleman (Mr. Bennett) will not succeed in his tactics to discount Mr. Chew before the electorate of Simcoe. I know Mr. George Chew personally; with Mr. Manley Chew, so far as I am aware, I am not acquainted. Mr. George Chew is a man of honour, a man of sterling worth, a man who stands high in the business community of north central Ontario; and I can vouch for it, Mr. Chairman, that when Mr. George Chew gets an opportunity he will be able to settle to his own satisfaction the differences which occur between him and the hon. member for East Simcoe.

Mr. BENNETT. This is the old case of too much excuse. I am not complaining that the brother of the hon. member (Mr. Grant) got $50 from Mr. Chew; Mr. Chew is doing the complaining. He is the gentleman who made the complaint of having been tolled for $50. I do not care whether the hon. gentleman's brother got $100 or not, but I want to know what his brother did for the $50. His name does not appear in the correspondence at all. It is a fortunate thing for Mr. Chew that this gentleman did not write a letter, because if he charges $50 without writing a letter, he would charge $100 if he did write. Some person seems to have done the necessary work, and to have done it with very good results, too.

Mr. SAM. HUGHES. That was for examining the timber.

Mr. BENNETT. The hon. gentleman (Mr. Grant) states his personal acquaintance with the island, and says that the result of his examination of it was that the timber was worth $200. I care not what the hon. gentleman says personal to myself. I have been in the House some twelve or thirteen years; I do not know whether I shall be in it any longer or not; but I can say that when I represented East Simcoe and had the patronage of that riding there were never any tolls of $50 taken out of the pockets of the people. Mr. Chew can cheerfully testify that while I had the patronage of that riding I did many favours for him in the Department of Public Works in reference to the dredging which he required at his mills, and in reference to timber limits in which he was concerned; but he never had a toll tapper tapping at his pocket for $50. That was unknown in those days. No wonder Mr. Chew bitterly complains that in view of the fact that he was the Liberal candidate in the riding, there is to be a go-between to extract from his pocket $50 before anything could be done. So far as discounting Mr. Chew is concerned, I have only to reiterate that Mr. Chew would

be very foolish not to accept if any intermediary on behalf of this government should come to him and show him where he could get for $100 $3,000 to $4,000 worth of timber, even if it did cost him $50 for the till-tapper. That is the condition of it. My complaint is not with Mr. Chew or the hon. member for North Ontario.

Mr. SAM. HUGHES. Or his brother ?

Mr. BENNETT. Or his brother either ; he is welcome to the $50 or whatever he got. However that may be, I do complain that the hon. member (Mr. Grant) should have assured the department of his own knowledge of the value of the timber, when he never had been on the island, as he now frankly admits. He had no warrant to state that the timber was only worth $100, and that statement could only have been made with the one idea of deliberately misleading the minister. The inference can be drawn by hon. gentlemen as they please. But the man I am dealing with is this prodigal minister ; this gentleman who is so unsparing with the public domain ; who gives away a steamboat to one party friend and a timber limit to another party friend. I can tell the minister that when it was shown to him that his own official had been cutting the timber he ought to have intervened. No minister will contend that it is right to have this lighthouse keeper acting for the department on the one side and for the contractor on the other. I have nothing to say against Mr. Charles Vallee ; he is a hard working man ; but I will say that I have no doubt that when he was assured that he was to have the contract for cutting the timber, it had some effect on his opinion as to how his report on the value should be. Here is the fact—that while Mr. Vallee was only asked to report as to the cedar and the basswood, he went out of his way to report as to the hemlock and the elm. There was an evident desire on their part to possess themselves of all the timber on this island, while, by the contract, they were confined to the cedar and the basswood. The hon. member for North Ontario says, in his letter of the 13th :

> I assure you that great care will be exercised in taking off the soft wood so that no damage will be done to the hard.

Why did he not say that in taking off the cedar and the basswood no harm would be done ? There was a design from the first, and it is shown by the letter of the hon. member for North Ontario, to do, not what was contracted, but to take everything possible, and then to exert the party pull with a pliable minister. The minister would be laughed at around there if he said that he was selling hemlock at $2 a thousand, because it is worth on the stump $6 or $7.

Mr. TOBIN. Hemlock to be worth $2 a thousand stumpage must be situated very close to a sawmill. If I understand the hon. member for North Ontario, this was twenty miles from a sawmill. I say as a lumberman that hemlock twenty miles from a sawmill is not worth $2 a thousand, and if the Minister of Marine sold it at that price, he sold it for more than it was worth.

Mr. BENNETT. I am going, out of the fulness of my heart, to tell the hon. gentleman something. He does not know all about timber.

Mr. ARMAND LAVERGNE. He knows—

Mr. BENNETT. That is my friend who was brought up on cigarettes.

Mr. ARMAND LAVERGNE. I know what I am talking about when I am talking about cigarettes.

Mr. BENNETT. I am going to talk with my timber friend from Richmond and Wolfe. My hon. friend does not know that in our part of the country we take the bark off hemlock trees, and the bark alone is worth $6 a cord. Now, the Minister of Marine knows that it was his duty to expose that lumber for sale and to get the proper price for it. Had those men not been Liberals but Conservatives, they would not have got a foot of that timber. It was a case of a design carefully laid from the beginning to possess themselves of all the timber, and they did so at a very cheap rate. There is not a Liberal in the neighbourhood who approves of the transaction. The minister was in fault in this, that when he learned that he had been overreached, that these men were trespassers, and had taken timber to which they were not entitled under their contract, he should have dealt with them with an iron hand. I congratulate the minister on the way in which he has handled this matter and the sale of the 'Bayfield,' and trust that he will do a little more of the same kind of business in the interest of the Conservative party, though not in the interest of the country.

Mr. GRANT. Again I cannot let the statement of the hon. member for East Simcoe pass without a remark from myself. He has not said so in so many words, but he has insinuated, that I myself acted to use a common term, as a till-tapper in approaching the department for Mr. Chew and made some profit. I am therefore under the necessity of stating that during the two years that I have been in Ottawa I have performed services at the various departments, both for Reformers and Conservatives in various parts of the country, and that up to this moment I have never asked, received, nor been promised one cent for my services.

Mr. SAM. HUGHES. Might I ask the hon. gentleman a question ? Did the township of Eldon communicate with him as the Liberal member for North Ontario, and did he not charge them $35 for a little job that

he had done for them long before he represented that constituency ?

Mr. GRANT. The hon. gentleman refers to an action that I was connected with before I was a member of this House.

Mr. SAM. HUGHES. I deny that statement emphatically.

Mr. GRANT. The firm that I was connected with in Beaverton, Ontario, Roach & Grant, had to do with an action against the government for damages done by the construction of the Trent Valley Canal; and even if I myself had charged fees, which I did not, I fancy that a solicitor practising in a matter against the government would have every right to charge his clients fees. However, it did not happen in the case the hon. gentleman has referred to.

Mr. SAM. HUGHES. I would not have cornered the hon. gentleman, only he was boasting that he had not done so.

Mr. GRANT. I fail to see how I have been cornered. Mr. Chairman, it is a little unpleasant to have to make a personal statement of this sort ; but the hon. member for East Simcoe spoke in a way to make it necessary for me to do so. I do not know what particular advantage a man gets for doing all sorts of work around the departments for people in all parts of the country ; but perhaps I have some of that good nature with which the hon. member for East Simcoe credits the Minister of Marine and Fisheries. I may say this, too, that for many of the hon. gentleman's political friends in the east riding of Simcoe I have performed services at the departments and they have written me, apparently not writing to the hon. member for East Simcoe. As my time is fully taken up, I would be very much delighted if they would correspond in regard to such matters with their own member. However, I deem it my simple duty and an act of courtesy which I owe to my fellow citizens, to attend to such departmental matters for them, as may be necessary, and I have done so without expense to them, but with considerable trouble to myself.

Mr. TAYLOR. There is a much more serious aspect to this question than has yet been discussed, from my point of view. Not only the Minister of Marine and Fisheries, but the entire government, have been entrusted with the care of the property of the people of this country. To-night we have discussed two cases. One case is that of property which belonged to the people of this country in the shape of the steamer 'Bayfield' which the hon. gentleman made up his mind to dispose of. Did he proceed as an honest man should have done, dealing with property belonging to another—put it up for sale, and have it sold at a fair market value, either by tender or by public auction ? He gets reports from his officers. One report says that the vessel is worth $7,000 ; another says he can get $5,000 cash for her in Goderich ; and yet in the face of that the hon. gentleman hands it over to a political friend for $3,200. Is that the way the country and the people should deal with their property ? Here again we have another case of the timber on 100 acres of land, which formerly belonged to the Indians, but to which these wards of the government relinquished their claims, being sold for a song. The government wanted the timber for lighthouse purposes, but we find the hon. member for North Ontario stepping in and making application for a portion of it. Here is the hon. gentleman's letter :

House of Commons,
Ottawa, August 19th, 1903.

Dear Mr. Préfontaine,—A constituent of mine is desirous of purchasing the cedar and basswood timber on the lot owned by your department on Hope island in Georgian bay. Your department bought the tract to supply fuel for lighthouse and require only hardwood.

Col. Anderson whom I saw to-day informs me that it is the practice to sell the soft wood and that he recommends the sale provided I arrange price with you.

But if Colonel Anderson, an official of the department, thought it advisable to dispose of part of the wood, why was it not sold at auction ?

My correspondent tells me that the cedar and basswood is sprinkling only and much of it blown down. It rots quickly thus.

Does the hon. gentleman know anything about cedar ? If he does, he would not say that cedar is a timber which quickly rots. On the contrary it is a timber that will hardly ever rot either above or under ground.

He offers $100 for the cedar and basswood, asking that he be allowed two or three years to remove it, at the same time not to damage your hardwood.

Duck island, Col. Anderson tells me, was so disposed of. My own acquaintance with the Hope island convinces me that the price is fair——

The hon. member for Ontario says to the minister : I am acquainted with Hope island, I have been all over it, I know every inch of it. I know how much lumber is on it, and $100 is a fair price. The only inference to be drawn from this letter is that the hon. member knew what he was talking about when he said the price was a fair one. Does this not prove that there is a nigger on the fence somewhere ? But it was the duty of the minister, as trustee of the people, to call for tenders. But the hon. gentleman does not confine himself to basswood and cedar. He goes on to say :

—as in the 100 acres, when the beech and maple is so thick there cannot be a great deal of cedar or basswood and hemlock.

He is now asking for another kind of timber and the lighthouse keeper, who is not supposed to know anything about timber, who is not supposed to know how much timber there may be on 100 acres of land, is asked to report on its quality. Why, I paid myself this winter for a limit, from which all the hardwood had been taken, $1,500 for the elm and basswood standing. This government which owned 100 acres of valuable timber belonging to the people, should have called for tenders before disposing of it. Instead, however, they handed it to one of their political friends for the paltry sum of $100 and gave him two or three years to take it off. If for no other reason, the government should be condemned for this transaction and I have no doubt they will when the time comes.

Mr. AVERY. The point is this, that the Minister of Marine sold a lot of timber on the representations of a political friend who never saw it. He took $100 for what was worth thousands of dollars, and he did this without taking the pains to ascertain the value of what he was selling. We are told that the timber is not valuable and that it is costly to get out. Well, I venture to say there was not one rotten log of basswood cut on the island. The contractors would take no logs except green timber. Basswood is worth $25 per thousand feet. Then the cedar will stand for ages either on the ground or under and will not rot. That cedar timber is worth $15 per thousand feet. The minister tried to make out a case by saying that the wood was some thirty or forty miles away from the mill, but it was situated close to the water, so that you could put it in a boom and float it across to the mill much cheaper than you could haul it by land. I notice in last year's statements that this government has paid $18 a thousand feet for hemlock, yet they tell us now that the hemlock is of no value. I am selling hemlock from 18 to 24 feet at $15 a thousand feet. It is a shame for this government to barter away for a paltry sum of $100 what is worth thousands of dollars. The cedar and basswood are valuable timber and no doubt the logs taken out were all green. Basswood will not float when not green and is of no use in that condition after it is cut up. I believe that there are jobs going on this year on the River St. Lawrence, and I am credibly informed that this government are getting their lumber in the state of Michigan, if this is the case, then they are giving our timber away for a song and purchasing from the United States to the advantage of American labour, and this in the face of the fact that when we send lumber over there they make us pay a duty of $2 a thousand feet.

Mr. PREFONTAINE. What is the stumpage under the Ontario government regulations ?

Mr. AVERY. $2 a thousand feet as a rule.

Mr. TAYLOR. But they sold the limit without calling for tenders.

Mr. TOBIN. Mr. Speaker, when the hon. member for North Ontario said that basswood would rot, he spoke of basswood which was blown down, and we are well aware that basswood after it has been blown down and laid on the ground one year, is useless for lumber. Cedar may lie years on the ground without damage; but as regards hemlock being worth $15 a thousand feet, the hon. gentleman knows that he can get at Midland, Ontario, any amount of hemlock at less than $15 a thousand feet. A few weeks ago the Grand Trunk advertised for a lot of hemlock in the Midland division. The firm with which I am connected tendered at the rate of $12 a thousand feet. The dimension of timber was eight by ten, ten by twelve, twelve by twelve. And we put in a price of $12 a thousand feet. But they had another offer I understood of $11.25 a thousand feet, f. o. b. cars. This timber, I understand, is twenty miles from any saw mill, and it has to be cut down and hauled. I venture to say that hemlock timber at $2 a thousand stumpage is charged all that it is worth. In no place in the province of Quebec, could you get $1 per thousand stumpage at a point twenty miles from a mill. When the hon. gentleman says that there are other hon. gentlemen on the other side who know about the value of timber and that the member for Richmond and Wolfe (Mr. Tobin) knows nothing about it, I take issue with him at once. I do not pretend to know anything about professional matters, but when he says that basswood is worth $30 a thousand feet he has to refer to the hon. member for Addington (Mr. Avery), who tells him that it is worth $25 a thousand. And what percentage of basswood is worth even $25 a thousand.

Mr. AVERY. Basswood lumber, log run is worth $25 a thousand feet.

Mr. TOBIN. The hon. member for East Simcoe (Mr. Bennett) said $30.

Mr. AVERY. It is worth more than $30 if you cull it.

Mr. TOBIN. But it will not be contended that this timber would average over $25 a thousand. You have only 100 acres of land, twenty miles from a sawmill. If the hon. minister got $100 for the cut basswood and, for the hemlock and elm stumpage charged $2 a thousand, he got a very good price indeed.

Mr. INGRAM. What does the hon. gentleman (Mr. Tobin) think of the prices that the department is paying ?

Mr. TOBIN. My hon. friend (Mr. Ingram) is aware that there are times in the

year when, if you must have a certain class of timber you must pay the price. The hon. member for Addington (Mr. Avery) is aware that we sell timber at $25 sometimes; that at other times we can get only $10 for. But this is not such a case.

Mr. FOWLER. If the lumber expert of hon. gentlemen opposite had desired to be quite fair to the committee he would have told us—as the fact is—that timber situated as this timber is, on an island in a lake is more easily got to a mill than timber that is only two miles from a mill if you had to haul it over a logging road. And he knows, if he knows anything about timber, that 25 cents a thousand feet would be a large charge for transporting a raft of timber of 200 or 300 thousand feet to a mill twenty miles away on the shores of a lake.

Mr. TOBIN. Oh, oh !

Mr. FOWLER. The hon. gentleman (Mr. Tobin) may laugh, but by so doing he betrays either his ignorance of the subject or else a continued effort to deceive the committee. Every practical lumberman, everyone who has had anything to do with the rafting of timber, knows that conveying timber by water is the very cheapest way. The value of this stumpage would depend entirely upon the situation of the timber. The stumpage would not be worth 25 cents a thousand if the lumber was situated very remote from a place where it could be floated to the mill. If you hauled it ten miles, it might cost so much as to reduce the stumpage to nothing. But, here is timber on an island in the lake, and close to water. Probably it would not have to be put upon a sleigh at all, but simply dragged to the water. In that case $2 or $2.50 a thousand would cut it and haul it to the water.

Mr. TOBIN. Of course, this timber is located just as the hon. gentleman described it ?

Mr. FOWLER. Will the hon. gentleman (Mr. Tobin) undertake to say that it is not ? If it is situated as I have said, it need not be put upon a sleigh——

Mr. TOBIN. And does the hon. gentleman (Mr. Fowler) say that it could be cut and put in the water for $2 a thousand ?

Mr. FOWLER. I say $2 a thousand.

Mr. TOBIN. Then, he is as much out of the way as my hon. friend from East Simcoe (Mr. Bennett).

Mr. FOWLER. I want to tell my hon. friend that I have some acquaintance with the lumber business, that I am interested in lumbering operations quite as large as those in which he is interested. And I know whereof I speak when I say that timber situated as I have suggested can be put into the water at $2 or $2.50 a thousand feet. Of course, as I say, if you have to haul it four or five miles before it reaches the water it will cost very much more. It is the hauling by team that is the great expense.

Mr. TOBIN. May I ask the hon. gentleman (Mr. Fowler) a question ? Do I understand him to say that he can take a raft of logs and tow it across a lake at 25 cents a thousand feet ?

Mr. SAM. HUGHES. Fifteen cents.

Mr. FOWLER. I said that the timber could be conveyed across the water twenty miles to a mill at 25 cents a thousand feet. If the distance were twenty miles, it could be towed in five or six hours.

Mr. TOBIN. I suppose that depends on the wind.

Mr. FOWLER. If there is a gale blowing against you, you could not get it out at all. My hon. friend from Richmond and Wolfe (Mr. Tobin) shows a desire to mislead the committee when he uses such an argument.

Mr. TOBIN. I have had experience.

Mr. FOWLER. You could not tow a raft at all against a gale of wind. But then you would not attempt it, but would wait until the wind went down. A tow of twenty miles with a raft of 300 thousand feet, which would not require a very big tug to handle, could be made in five or six hours ; and at 25 cents a thousand feet, you would get $75 for the five or six hours work of your tug. I would be glad to be in the tug business if I could get that much for every six hours that my tug worked.

While I am on this subject, I would like to say a word or two with respect to the conduct of the minister and of the department in this matter. We should have been surprised at the conduct of the minister if we had not had an experience with him last session and had never heard of the 'Bayfield' and the transaction in connection with the sale of that steamer. Sale ! I must withdraw that word ; it was not a sale, but a presentation. People have a superstition about a gift of an edged tool to a friend. So, when one gives a valuable pocket knife costing $5 or $6 to a friend, the friend gives back a copper cent to take away the harm. So, the hon. minister gave the 'Bayfield' as a present to his political friends and, to take away the harm they gave him a little sum of money a sum bearing about the same proportion to the value of the 'Bayfield' as the copper cent does to the five-dollar pocket knife. I say that we should have been surprised at this transaction if we had not had experience of the minister. Let us see how far his conduct is consistent with that of a man who wishes to do his duty to the department. An application was made by the hon. member for North Ontario (Mr. Grant)—whom, it seems, does not confine his services to his own constituency but extends them all over

his province—for a timber limit on Hope island. And did the minister do as a man would who wished to administer honestly, fairly and properly the department placed in his charge ?

Did he get some expert who knew something about lumber to go over this property and give an estimate of it ? Oh, no, that is not the course the minister pursued, because that would be the proper course, and it is inconsistent with the hon. gentleman's ideas of public duty to pursue the proper course. So the hon. gentleman takes the letter which he receives from the member for North Ontario, a gentleman who has certainly no expert knowledge of timber, the hon. gentleman who, on a pleasure excursion, sailed by this Oak island, and ventured on the strength of that passing acquaintance to give an estimate, an expert estimate, as to the value of the timber growing on that island; and he gives the minister to understand that he is thoroughly acquainted with that island, with the conditions and with the timber, and he thinks that $100 is a fair price for the timber to be sold on that application. On the strength of that opinion the minister makes a contract with Mr. Chew for the sale of this timber, which is worth thousands of dollars—basswood and cedar are both very valuable timber, and he has nothing but the opinion of my hon. friend from North Ontario, and an estimate which it seems he has received from the lighthouse keeper. Now this gentleman who may be a very good lighthouse keeper, estimates at $200, as I understand, the value of all the timber on that island, hardwood and softwood. But what do we find as a matter of fact ? We find that after he has taken off the cedar and the basswood, he has stolen—that is the word. that is the only word to use—what is the use of mincing words in connection with this matter ? Here is a man who makes a hard and fast business contract. a written contract with the department whereby he is to get two certain kinds of timber. basswood and cedar. With that written contract in his hands this man goes into the woods and cuts down hemlock to the extent of 140,000 feet. according to the statement of the minister. Now, Sir, if that is not stealing I do not know what stealing means. I say that 'stealing' is the only word you can use in connection with this matter. After this timber thief has stolen 140,000 feet of timber belonging to this country what punishment does the minister inflict upon him ? He charges him a very moderate stumpage; considering the circumstances, considering the situation of this timber, he charges this light fingered gentleman a very moderate stumpage for the timber which he has stolen from the public domain. Now what sort of a position does this minister occupy ? Is this a man who should be entrusted with the public affairs of this country ? Is this a man who has so slight a regard—the hon. minister laughs——

Mr. PREFONTAINE. Yes.

Mr. FOWLER. That shows, Mr. Chairman, how slight a regard the minister has for the duties that devolve upon him as the supposedly responsible head of a very important department. Now, Sir, the hon. gentleman imposes on this man the slight tax of $2 per thousand as a punishment. And what does he do with the lighthouse keeper who made this wrong estimate, this lighthouse keeper who, as my hon. friend from East Simcoe (Mr. Bennett) has pointed out, cuts this timber, participates in this fraud, stands up and uses the axe, helps his friend to steal 140,000 feet of timber from the public domain of this country ? He is a man apparently after the minister's own heart, he gets a promotion, no doubt, because he has assisted in defrauding the people of this country out of their rights in connection with this timber. Now this is the man who has induced the department, by the wrongful estimate which he gave, to fall into this error ; and I say, Mr. Chairman, that the minister, if he would even at this late hour recognize his duty, would at once dismiss this man.

Mr. PREFONTAINE. He is a good Tory. I will investigate the matter and see what to do.

Mr. FOWLER. If he had been a Tory he would have been dismissed long ago. If he had been a Tory he would never have got a chance to participate in this steal. It is only the friends of the hon. gentleman who get a chance to participate in these fat things. Now, Sir, I do think that the minister should have this matter thoroughly investigated and see that the department gets its rights, and if he does that, I am sure the country will be enriched by a considerable sum.

Rewards for saving life, including life-saving stations, $12,000.

Mr. FOWLER. Where are the life-saving stations ?

Mr. PREFONTAINE. One at Grand Manan in New Brunswick, and one at Cape Tormentine.

Mr. FOWLER. Grand Manan is a large island and there are a good many harbours on it. I would like to know on what part of the island this life-saving station is situated.

Mr. PREFONTAINE. I will lay on the table to-morrow a plan of the island and show where the station is situated.

Investigations into wrecks, $4,000.

Mr. FOWLER. How was that expended last year ?

Mr. PREFONTAINE. The following investigation took place last year :

'Carrigan Head,' British, stranded six miles from Three Rivers, in April.

'Iberian,' British, stranded near Isle aux Raisins in June.

'Stord,' British, stranded at Ste. Anne des Monts in June, slightly damaged.

'Protector,' Norwegian, Saguenay river, total loss.

'Sardhana,' barque 1,119 tons, British, in July, Point des Monts badly damaged.

'Loughrig Holme,' British, Matane, damage slight.

'Bergenhus,' Norway, St. Charles river, slight damage.

'Monterey,' British, St. Pierre, total loss, two lives.

'Holmlea,' 'Manchester Trader,' 'Mount Royal, 'Lake Manitoba' and 'Topaze.'

Mr. FOWLER. While this is very interesting it is not quite the point I want to get at. We want to know how the $4,000 was spent and what officers are employed by the department.

Mr. PREFONTAINE. The amount was expended in travelling expenses, fees of witnesses and the holding of the investigations generally. I may state that $4,000 has proved insufficient and I have a further sum of $2,000 in the Supplementary Estimates.

Mr. FOWLER. We must have fuller information than that. What officers were employed and what were their salaries ?

Mr. PREFONTAINE. Captain Salmon is the officer in charge. He holds the investigations in company with two assessors appointed from time to time by the department from the different localities where the investigations took place. If the hon. gentleman wants the details of the expenditure he will have to give me time to have the books of the department copied.

Mr. FOWLER. In any department the minister should come prepared with all the details in making up the estimates.

Mr. PREFONTAINE. It may require the copying of a book of 100 pages.

Mr. FOWLER. The expenditure of $4,000 could not do that, if you spent it in 5 cent pieces.

Mr. PREFONTAINE. In the report of the Auditor General for 1902 we have:

Wrecks reported at $2 each, ——

Mr. FOWLER. That is for 1902. We want it for 1903.

Mr. PREFONTAINE. That has been given in the Auditor General and is not yet published.

Mr. FOWLER. The minister should have it here.

Mr. PREFONTAINE. The hon. gentleman shows that he knows very little how a department is run or even of how an office is run. If some one should come to him, if he is a lawyer of any practice, and ask him: How much do I owe you ? I have been doing business with you for a year, give me the details at once. He would give the details at once I suppose ?

Mr. FOWLER. When the minister asks for $4,000 he has a right to explain to this committee what he did with the money last year, where he expended it, in order that this committee may know whether it is right for him to have the $4,000 now or not. The minister has been here longer than I and has been a minister for a year and yet does not seem to know the ordinary practice in this House.

Mr. ROSS (Victoria). Louder.

Mr. FOWLER. I want my hon. friend to hear what I have to say. My excitable friend from Victoria generally butts in where he should not. He has worn the hair off his head, butting in.

Mr. ROSS (Victoria). I want to listen to what the man is saying.

Mr. FOWLER. The minister has shown utter ignorance of parliamentary procedure, ignorance which might be excusable in an ordinary member, but which is very inexcusable in a responsible minister. It is the right and duty of the minister to give to the members of this committee the very information for which we are asking, extended up to the end of the last fiscal year and he starts to read to us the expenditure for 1902 instead of 1903.

Mr. PREFONTAINE. It is the only one published.

Mr. FOWLER. It is not a question of publication. If it were published I would not ask for the information, but the minister has the information in his department and yet the minister says we are not entitled to the information.

Mr. PREFONTAINE. I never said anything of the kind. The man puts in my mouth words which I never uttered. He cannot keep to the truth at all.

Mr. FOWLER. I do not know how much more emphatically the minister could say it than by coming here without that information. Why should he come here without the information if he thinks we are entitled to it. If he does not know the procedure he should ask some minister who has been through the mill before. Let him ask the Minister of Finance. The minister is not content with filling the position of his predecessors. He wants to grab everything in sight and to get the portfolio of public works, and I believe that of canals too, in addition to his own department. Joking aside, the

minister should not ask that this item be passed until he gives us the information we have asked for.

Mr. CASGRAIN. The Auditor General's Report shows that last year $1,364.45 was expended on this service. The minister now asks $4,000 and promises that he will ask $2,000 more in the supplementary estimates. The committee has a right to know the reason for this increase. The officers of the department do not make out these estimates on mere guess work. They furnish a detailed statement so that more than is required for the public service shall not be asked, and the minister should be in possesion of that detailed statement. We have tried to get explanations from the minister, but the only result is that he insults gentlemen on this side and gets into a passion. What a spectacle it is, and how proud his supporters must feel of this extraordinarily clever minister who has been taken into the cabinet as Minister of Marine and Fisheries, with a large slice of the Public Works Department.

Mr. TAYLOR. I submit to the Minister of Finance, if it is not the duty of the Minister of Marine and Fisheries to give this information which to my knowledge every minister has given during the last twenty years.

Mr. PREFONTAINE. I have given a list of the investigations which have taken place and the detailed information has never been asked for before as I am informed by the officers of my department—you may laugh as you please. These officials had the confidence of gentlemen opposite for several years ; they have our confidence now and they are not to be laughed at.

Mr. TAYLOR. I rise to a point of order. The minister has no business saying that. We have not said a word against any of the officials that are on the floor of the House.

Mr. PREFONTAINE. I referred to the officials of the department, and stated that they had informed me that this information was never asked for before, when somebody laughed. Some of these gentlemen have been employed in the department for thirty years, and they have given me the formal official information which is usually given in connection with this vote. They state that other information has never been asked for in connection with it. Practically what my hon. friends want is that I shall produce a copy of the ledger with reference to each investigation and I will do that if I get time.

Mr. CASGRAIN. You do not know anything about it.

Mr. PREFONTAINE. I rise to a point of order. The hon. gentleman says that I do not know what I am talking about.

Mr. CASGRAIN. I rise to a point of order. The minister is putting words into my mouth which I never used.

Mr. FIELDING. Even so, it is not a point of order, it is merely a correction.

Mr. PREFONTAINE. If the hon. gentleman can show me from 'Hansard' ever since it has existed that this detailed information with regard to this particular item has been asked for, I stand corrected.

Mr. TAYLOR. The minister has not shown how one dollar has been expended out of this $4,000.

Mr. PREFONTAINE. I do not refuse to give details, but I say that these details have never been asked for before. But nevertheless I will get the information and bring it down.

Mr. FOWLER. The minister has not given one iota of information as to whether these fifteen investigations cost $20 or $200 a piece. We should have that information before this money is voted. The committee desires to be perfectly fair. The minister shakes his head.

Mr. PREFONTAINE. I do not dispute it. It is the first time it has been asked.

Mr. FOWLER. The minister is entirely out in that statement. Every minister who comes down with his estimates has these details, and I do not see why there should be any exception in the case of the hon. gentleman. We have a right to a detailed statement showing what each investigation cost, how long it lasted, what officials were engaged in it, and what assessors acted in each case. It would take very little time to make up a statement of that sort.

Mr. PREFONTAINE. Whatever time it will take, the information shall be given. You cannot find that a statement as regards this item has been asked, and the reason I have not got it now is that my officials inform me that it has never been given. But I say I will produce it. What else do hon. gentlemen want ?

Mr. OSLER. If it has not been done heretofore, it has been a great oversight. The idea of voting an item without a word as to how the money has been spent. The information should be here.

Mr. PREFONTAINE. It is like many other expenditures which are not given in detail.

Mr. OSLER. But surely the minister ought to have it if it is asked.

Mr. PREFONTAINE. If I had expected that it would be asked for, and if I had been informed that it was the practice of the department, I would have had it.

Mr. OSLER. The item should stand until the information is down.

Mr. TAYLOR. We asked how much of the $4,000 has been spent last year.

Mr. PREFONTAINE. I have said twice that the total $4,000 has been spent.

Mr. TAYLOR. We want to know how it has been spent. The Auditor General's Report says that $1,367 was spent last year on investigations into wrecks. How was it spent ? I find the following items : Lucien Bance, clerk in department, travel in connection with investigations at Quebec, $75 ; W. C. Gordon, clerk in department, travelling expenses, $16.40 ; paid for typewriting, $15.75 ; O. G. V. Spain, travel and disbursements, transport, telephone messages, telegrams, witness fees and expenses, messenger boy and incidental expenses, making a total of $524.85 ; James Swanson, North Sydney, two days, $20 ; Miss Helen Holland, typewriting evidence, $5 ; assessors—R. S. Clift, 11 days, $110 ; expenses, $13.45 ; John Temple, 11 days, $110 ; expenses, $15.70 ; less advance by Mr. Gordon, $25. Now the hon. gentleman comes down and asks for $4,000, and we ask him for information, and he refuses to give us the information.

Mr. PREFONTAINE. The hon. gentleman should not say I refuse.

Mr. TAYLOR. Yes, he absolutely refused to state how he spent the money.

Mr. PREFONTAINE. I have stated that I spent more than $4,000 to hold fifteen investigations.

Mr. CASGRAIN. The question is this. We ask the hon. gentleman for an explanation why this amount is increased, and he says he cannot give the information, and he goes on to state that it is not the practice for any minister to give this information.

Mr. PREFONTAINE. I deny it.

Mr. CASGRAIN. When the hon. gentleman gets into a hole, he denies what he said before. I state that in every other department this is not simply a matter of chance or hazard. The deputy minister or those employed in preparing the estimates, when they go to the minister with them, have to explain every item that makes up the total sum, and if there is an increase, they will have to explain why that increase is made ; and when the minister comes to the House with his estimates, he should be prepared, if he knows what is going on in the department, to state how the money is spent and for what it is needed. For instance, I see in the 'Hansard' reports of last year that the then Minister of Inland Revenue, Mr. Bernier, had all the details at his fingers ends. He knew his business and what he was talking about. Then if we look to the discussions on the estimates of public works, we find the then minister, Mr. Tarte, was never at a loss to give the committee all the information required. Why cannot the hon. gentleman do the same ? Is it possible that he does not know what is going on in his department or can he have lost his memory ? He must have been told what the expenditures were and what the increases were for, but he will not vouchsafe to take us into his confidence.

Mr. FOWLER. I would suggest to the hon. minister that he should let this item stand until he can bring down the details. Let us go on with the next item.

Mr. PREFONTAINE. There will be the same objections.

Mr. FOWLER. Are we to understand that the hon. minister is not provided with the details of the next item ? Let us then take up some item of which he has the details.

Mr. BICKERDIKE. I know something about the extra costs last year, and I would suggest that as the hon. minister has frankly stated that if you will allow that item to pass, he will bring down the information asked for, you should accede to his request. The large increase over 1902 was made at the request of the Montreal Board of Trade and the marine underwriters.

Mr. TAYLOR. Why did not the minister say so ?

Mr. BICKERDIKE. On account of the wrecks in the St. Lawrence, we felt that something had to be done to find out the cause, and appointed men to investigate it. My hon. friend knows some of the men who were appointed. One of them was appointed at my own request, Captain Clift, at $10 a day. No man of his experience would do the work for less money. These gentlemen have sat time and again in the city of Quebec and have gone down to the gulf to make inquiries, and the minister has promised to give us all the details.

Mr. OSLER. I think that the hon. member who has just taken his seat is entitled to our heartiest thanks. We have been three or four hours trying to get a little information from the minister, and here is a humble member on the back benches who has told us more in two minutes than the minister has been able to tell us in four or five hours. This shows either ignorance on the part of the minister or obstinacy, and the exhibition he has given us is not at all a creditable one, and if the minister had given us at half past eight the explanation that a private member has just given us, the item would have passed in five minutes and we would all have been satisfied. But, to have the minister absolutely refuse hour after hour, to give the slightest information was decidedly not according to what is customary—saying that he would give it to-morrow when we ought to have it to-day ; saying that he would lay documents on the table to-morrow but in the meantime the item would be passed; papers to be furnished only when discussion would be impossible. I think this is an exhibition unworthy of this House, and I hope we shall see no more such exhibitions from the minister or

any one else when the estimates are under discussion.

Mr. CASGRAIN. If the committee will allow me, I would like to make a motion. I do not know whether it will be in order, and probably I shall be called down by the Minister of Finance (Mr. Fielding). I move that the hon. member for St. Lawrence, Montreal (Mr. Bickerdike) be appointed Minister of Marine and Fisheries in place of the present occupant of the position.

Mr. BICKERDIKE. Carried.

Mr. DANIEL. I think the remarks of the hon. member for West Toronto (Mr. Osler) are very much called for. The increase in this item from 1902, taken in connection with the statement of the Minister of Marine and Fisheries, that he intends to come down with a supplementary estimate for $2,000, would lead one to suppose that the minister expects more wrecks during the coming season, and requires more money for their investigation. But the hon. member for St. Lawrence, Montreal (Mr. Bickerdike) has told us that the object is to investigate the cause of these wrecks, so that the department may know what improvements should be made in the aids to navigation with a view to preventing such disasters in the future. But the minister refused all information, and so we had to wait until the hon. member for St. Lawrence spoke. I hope that the hon. Minister of Marine and Fisheries will see the necessity of making reasonable explanations when they are asked for in the committee.

Mr. FOWLER. Before the item passes, I wish to join with my hon. friends on this side in the praise offered to the hon. member for St. Lawrence, Montreal (Mr. Bickerdike) for the full information he has given us, information that was denied by the minister (Mr. Préfontaine). At the same time, I think my hon. friends on this side have been scarcely fair to the minister. It is my desire to be fair to every member of the House, no matter how unfair that member may be to me. And, notwithstanding the fact that the minister has on several occasions to-night spoken in a somewhat testy manner toward myself, yet I wish to offer an explanation of his ignorance on the subject under discussion that, I think, will be satisfactory to the committee. The minister has been very busy of late. There is a gentleman by the name of Carbonneau who has been having some transactions with the government.

An hon. MEMBER. Is that the member of the House ?

Mr. FOWLER. No ; but a promoter, of somewhat unsavoury reputation. Mr. Carbonneau has had negotiations with the government, and these negotiations have been carried on through the Minister of Marine and Fisheries. There was also the timber limit transaction on Hope island, the 'Bayfield' matter and others of that kind. The minister has been devoting his attention to these things, and matters of detail as to the mere working of his department have escaped his attention. But we are grateful to the understudy of the minister, the hon. member for St. Lawrence, Montreal. We trust that, in the interest of harmony in this House, it will not be long before the coadjutor of the minister will become minister ; and then, no doubt, we shall be given full details on all subjects.

Expenses and inquiry into the subject of a naval militia and school of navigation, $7,500.

Mr. TAYLOR. Mr. Chairman, I think we have done a good day's work——

Mr. FIELDING. I think that, before we adjourn, we ought to do some business.

Mr. TAYLOR. We have already done some. My hon. friend (Mr. Fielding) must admit that the opposition have done no more than discharge their duty by trying to extract a gleam of information from the minister, even though the result has been to gain that information from the hon. member for St. Lawrence, Montreal. By his experience the hon. minister, no doubt, will have learned his duty, to give reasonable explanations of expenditures of last year. We want the minister to understand that we must have a little information. I think that, now that all is harmony, now that the hon. member for St. Lawrence, Montreal, has come to the rescue and has given the minister a lesson that, no doubt, he will profit by to the extent of not again attempting to bulldoze the committee, we might close our day's work. We were up late last night, and I think twelve o'clock is late enough for to-night.

Mr. GALLERY. I would like to ask the hon. member for South Leeds (Mr. Taylor) if, in his opinion, the hon. member for St. Lawrence division gave a detailed account ?

Mr. CASGRAIN. Does the hon. member for St. Anne (Mr. Gallery) object ?

Mr. GALLERY. No, I only asked the question.

Mr. TAYLOR. The hon. member for St Lawrence (Mr. Bickerdike) gave the information in quite sufficient detail. He said that the board of trade had recommended a large expenditure for an investigation into the cause of wrecks, and we are ready to accept that.

Mr. GALLERY. What had that to do with the statement of the minister ?

Mr. CASGRAIN. Is there to be a scrap between the hon. member for St. Anne (Mr. Gallery) and the hon. member for St. Lawrence (Mr. Bickerdike) ? Or is the hon. gentleman (Mr. Gallery) jealous ?

Mr. GALLERY. I am in no way jealous of the hon. member for St. Lawrence. But I thought it fair to say to hon. members, who have so greatly prolonged this debate, that, so far as I could make out, the hon member for St. Lawrence did not give a detailed account. He may have given an account that was accepted as satisfactory by hon. members opposite, but, so far as I could make out, that account was not given in any detail.

Mr. FOWLER. I am sorry if my suggestion that the hon. member for St. Lawrence (Mr. Bickerdike) might become a minister has aroused the jealousy of the hon. member for St. Anne (Mr. Gallery). I did not know that the hon. member for St. Anne was an aspirant for cabinet honours. I understood that it was a senatorship he was looking for, not a portfolio.

Mr. PREFONTAINE. We voted last year $7,500 for this purpose mentioned in this estimate, of which only a certain amount has been expended in preparing diagrams and collecting information for the establishment of a marine school.

Mr. OSLER. Who has charge of this investigation ?

Mr. PREFONTAINE. Capt. Salmon.

Mr. FOWLER. If I am not mistaken the hon. gentleman told us the same thing last year. Why has nothing more been done ? What is holding the matter up ?

Mr. PREFONTAINE. About $1,800 has been spent in preparing these diagrams.

Mr. FOWLER. We were told last year that something was going to be done. I am particularly interested in this matter, because my part of the country is especially interested in the establishment of a naval school. This is a matter that should be pushed along more rapidly than the minister is pushing it.

Mr. DANIEL. If it is the policy of the government to establish a naval militia, I would like to know to what extent the minister has gone, to what extent he has succeeded in establishing a naval militia.

Mr. PREFONTAINE. I have just stated that nothing has been done except the preparation of the diagrams, books and so on to organize the department. This sum of $7,500 is a revote, with the exception of $1,800 which has been spent.

Mr. DANIEL. I cannot understand what the diagrams have to do with the naval militia.

Mr. PREFONTAINE. Diagrams, books and charts have to be prepared to be distributed among the different schools.

Mr. FIELDING. The item includes schools of navigation.

Mr. PREFONTAINE. Nothing has been done about a naval militia except to gather information. After we have inquired into the facts and formed some plan of the organization we propose to make, it will then be time to say what we intend to do. For the present we have not made up our minds one way or the other.

Mr. OSLER. Who is making this preliminary investigation ?

Mr. PREFONTAINE. Capt. Salmon. The first thing to do is to prepare for the organization of the schools, and that has been begun. As regards the naval militia, it is a big subject which will entail quite a large expenditure of money, perhaps $500,000 to begin with. Of course, before submitting any plans involving so large an expenditure, we have got to procure all the necessary information, and to do that will take some time.

Mr. INGRAM. At whose recommendation has this branch of the service been made ? At whose recommendation has this item of $7,500 for naval militia been put in the estimates ?

Mr. PREFONTAINE. The same item was put in last year, and preliminary work was begun. We expect to continue this year, and to come down next year with some plan for establishing the schools, and for the organization of a naval militia.

Mr. INGRAM. I am asking at whose recommendation was the item put in here ?

Mr. PREFONTAINE. This question has been discussed in the public press for the last two years, and strong representations have been made to the government on the subject. As it is a matter that pertains to the Marine and Fisheries Department, it has been left in my hands and the hands of my officers. Of course we have to go slow, because it will entail so large an expenditure.

Mr. INGRAM. My hon. friend has not answered my question yet. At whose recommendation was this item put in, who is the official ?

Mr. PREFONTAINE. There are two officials, Capt. Salmon and Capt. Spain.

Mr. INGRAM. Was it at their recommendation that this item was put in ?

Mr. PREFONTAINE. No, it came from outside, from the Navy League.

Mr. INGRAM. Was this item put in by the recommendation of any official in the Marine Department, or is it purely on the initiative of the hon. gentleman himself ?

Mr. PREFONTAINE. No. There is in existence a public body called the Navy League, who have made representations to the government on this subject, and we thought proper to put a certain amount in

the estimates to enable us to study the question, first, of naval schools, and then of a naval militia.

Mr. KEMP. The hon. gentleman said there was a discussion in the press. I suppose he referred to the proposition for a Canadian navy. Do I understand that the government have no policy with regard to that particular matter at the present time ?

Mr. PREFONTAINE. We have a policy, that is to say, we have adopted the principle as regards the organization. It is quite a new thing for this country, and we must study it with care before launching it. It is proposed, for instance, that the men employed on the government vessels should form the nucleus of this naval reserve, and that, instead of their being engaged for the season, they should be enrolled for two or three years. As regards the principle of the organization I think the government has entirely made up its mind.

Mr. KEMP. Then the minister admits that in a country of this size having such a great sea-board we should have a navy of some kind and not be dependent altogether on the navy of Great Britain. We have an immense commerce to protect and should not have to depend on Great Britain for its protection. It would of course require a large expenditure, but in my opinion the time has come when the government should spend some money on the nucleus of a Canadian navy. The government have been considering this for a number of years and the minister should be able to give us something more definite than he has given.

Mr. PREFONTAINE. The item of $7,500 was first put in the estimates last year, and the hon. gentleman remembers how long the session lasted. This might require the despatch of some of my officers to England to get information as to organiation, &c., and that has not yet been done, but the first things to provide, I submit, are the schools, and I think that before the end of the session we will be in a position to announce that we propose to establish schools in the principal cities of the Dominion.

Mr. INGRAM. This is one of the subjects which the ministers discussed in England and this is putting in the thin edge of the wedge some time after they have come back. They do not seem to have any policy except putting in the thin edge of the wedge. $7,500 is a very thin end indeed, and it is put in to appease some of the gentlemen who have a strong feeling in this matter.

Mr. CASGRAIN. I understand the minister to say that the government adopt the principle of a naval militia for Canada ?

Mr. PREFONTAINE. Yes.

Mr. DANIEL. When this naval militia is established and grows to a considerable size will the hon. minister in addition to the Department of Marine and Fisheries and the Canals and a large share of the Department of Public Works also take over and command this naval militia ? Will that be the intention of the department?

Mr. PREFONTAINE. I do not think the hon. gentleman need worry about that at present.

Some resolutions reported.

Hon. W. S. FIELDING moved the adjournment of the House.

Mr. CASGRAIN. Might I ask the hon. the minister what business will be taken up to-morrow ?

Mr. FIELDING. We will proceed with Supply, and the estimates of the Minister of Marine and Fisheries or of the Postmaster General will be taken up.

Mr. TAYLOR. May we expect to have the government Bills, including one with reference to the voters' list, which we were promised on Monday would be brought down on Tuesday or Wednesday ?

Motion agreed to, and House adjourned at 12.02 a.m., Wednesday.

HOUSE OF COMMONS.

WEDNESDAY, June 22, 1904.

The SPEAKER took the Chair at Three o'clock.

QUESTIONS.

EXPORTS TO SOUTH AFRICA.

Mr. RALPH SMITH asked :

What is the value of the exports from Canada to British South Africa for each of the fiscal years of 1901-2 and 1902-3 of each of the following classes of products :—

(a.) Products of the farm ; (b) products of the sea ; (c) products of the forest, other than manufactured goods ; (d) manufactured goods, not being food stuffs ?

Hon. WM. PATERSON (Minister of Customs). For the fiscal year 1902 the amount of farm products exported to South Africa was $3,514,509 ; of products of the sea, $9,990 ; of the forest, $82,560 ; and of manufactured goods, $181,803.

During the fiscal year 1903 the exports to South Africa of agricultural products amounted to $1,264,684 ; of fisheries, $12,796 ; of the forest, $246,839 ; and of manufactured goods, $362,111. All these goods were of Canadian origin.

PAY OF MILITIA.

Mr. SPROULE asked :

1. Has the Department of Militia made the regulations referred to by the Minister of Militia when explaining the Militia Bill, whereby the force were to receive increased pay from year to year until a maximum sum mentioned was reached ?

2. Will the force now doing their annual drill get this increase for the present year ? And if so, when will it be given ?

Hon. Sir FREDERICK BORDEN (Minister of Militia and Defence) :

1. Yes ; and the regulations have been promulgated in the 'Gazette.'

2. (a) Yes ; (b) On completion of their annual drill.

ST. JOHN HARBOUR DREDGING.

Mr. DANIEL asked :

1. When will the dredge for use at the mouth of St. John harbour be ready for work ?

2. Is it the intention of the government to do any dredging at the mouth of the harbour of St. John this season ?

Hon. CHAS. HYMAN (acting Minister of Public Works) :

1. Dredge will be ready for opening of navigation in spring of 1905.

2. There is no dredge available at present which can do the required work.

TRANSPORTATION COMMISSION.

Mr. DANIEL asked :

1. When does the government expect the report of the transportation commission ?

2. If such report of a final nature is not expected this year, will there be an interim report ?

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I regret to say that I have no information to give my hon. friend.

FRANKING PRIVILEGE.

Mr. GRANT asked :

1. Has the attention of the honourable the Postmaster General been drawn to the fact that large quantities of Conservative campaign literature have been sent free through the mails to the North Riding of Ontario ; the inclosure so stamped as to indicate that it is sent by a gentleman not a member of the House of Commons, the envelopes (evidently addressed and sent to Ottawa from outside) being franked or stamped with the name of a member of the House ?

2. Does the sending of this matter in such a way constitute a breach of the franking privilege ?

3. If so, what action will be taken to prevent the practice ?

Hon. Sir WILLIAM MULOCK (Postmaster General). To the first question the answer is yes. To the second, if any member of the House chooses to send mailable matter through the mails at the instance of any one else who is not a member, there is nothing in the law to prevent his doing so.

Mr. PATERSON.

MERCHANT MARINE AND CANADIAN ENSIGN.

Mr. C. E. KAULBACH. Before proceeding with the Orders of the Day, I desire, as I announced yesterday, to engage the attention of the hon. Minister of Marine, indeed the right hon. the leader of the government and his associates in the cabinet, to a report appearing in the Montreal 'Daily Star' of the 17th instant, by Ship-master John Taylor, of Nova Scotia, headed :

HAULED DOWN CANADIAN ARMS.

British Consul declares Canada has no flag.

I might here state, Mr. Speaker, that I intend concluding with a motion. The report reads as follows :

MADE SHIP FLY RED ENSIGN .

Threatened to fine Capt. Taylor £100 if he continued to use Canadian emblem.

Captain John Taylor, of the three-masted schooner 'M. J. Taylor,' is in this port at present. Captain Taylor has a grievance.

Captain Taylor hails from Nova Scotia. His ship is registered in Parrsboro, N.S., and has always flown what he considered the Canadian flag, the red ensign of the British merchant service, with the Canadian coat-of-arms in the lower right hand corner. Captain Taylor related the reason for his grievance to the 'Star' this morning, as follows :—

'I had been sailing around the different ports of South America all winter, and last January I sailed in the port of Rio Grande do Sul, in the Argentine republic, with cargo. We lay there for some time, and as there were a number of vessels in the harbour whose masters were friends of mine, our flag, the Canadian ensign, was flying at our peak most of the time.

'Some three or four days after its first appearance, I received a verbal warning from the British consul, Mr. Ray Stamford, that I was not flying the right flag. He ordered me to haul down that flag and run up the 'Red Ensign.' Well, I have knocked around pretty well, and in the last few years have been in a good many corners of the globe, and the Canadian flag was always good enough for other British consuls, so I thought it would do for Mr. Ray Stamford. I therefore took no notice of his warning.

'Then I did get it. I received a notice stating that I was liable to a fine of £100 if I continued to fly that flag. The notice bore the stamp of the consulate, and ordered me to appear at the consulate with my flag the following day.

'Well, you know the British consul is a man's only friend down there if he gets into trouble ; and I thought it better not to disobey. So I took the flag to him. He ordered me to cut out the Canadian coat-of-arms and fill the space with red bunting. I refused, and he had it done himself.

'This I consider quite unjustifiable. We Canadians were given the right to fly our flag in 1867. I have carried that flag at the mast head when lying in the midst of the British Mediterranean squadron at the Malta dock yards, at Cadiz, at Havre, and most of the Mediterranean British North and South Ameri-

can ports, and there has never been any exception taken to it until now.'

Captain Taylor is addressing a letter to the Board of Trade about this matter, and desires to know if the action of the consul was justifiable. He says that he is a loyal Britisher, but is also a loyal Canadian ; and he wants the right to fly what he maintains is the Canadian ensign.

I might here state that although this, to my mind, is an outrageous act on the part of the British consul, and wholly unauthorized and unprovoked, it is not the first time I had occasion to bring a subject of complaint of this nature to the notice of the government by way of seeking redress. It will be remembered by reference to 'Hansard' that on the 3rd day of May, 1901, I brought to the notice of the government the case of the ship 'Canada,' belonging to the port of Lunenburg, N.S., Captain Arch. Conrod, master, which was floating the Canadian ensign of which, I am pleased to say, we, as Canadians have cause to be proud, in the port of Bahia, Brazil, on the 1st of March, 1901, when the British consul boarded the ship, and peremptorily required of the master to haul his flag down, informing him that it was a gross violation, or infringement of rights, and failing to do so, he would impose a fine of £500 and hold the ship for the penalty until paid. The captain rather than find himself and owners in trouble complied with the request. Feeling naturally much exercised over an apparent insult of this sort, I made special request of the government at the time, that inquiry be made of the British government, as to whether the master of the 'Canada' was within his rights in floating the Canadian ensign in a foreign port, and if found that the captain was in error, then to arrange with the British Admiralty for authority, and thereby have the Canadian flag treated with the respect Canada is entitled to receive. However, subsequently having ascertained Canada was within her rights in floating her Canadian ensign, having obtained the authority from the Lords Commissioners of the Admiralty under power invested in them by the Imperial Merchants' Shipping (colours) Act of 1889, I inquired as to whether the authority had been officially communicated to the authorities in Canada, and found that it had. The royal warrant having issued under seal dated London, February 2, 1892, by the commissioners for executing the office of Lord High Admiralty of the United Kingdom of Great Britain and Ireland, reads as follows :

Whereas we deem it expedient that Canadian registered vessels shall be permitted to wear the red ensign of His Majesty's fleet, with a Canadian coat-of-arms on the fly thereof.

We do therefore, by virtue of the power, and authority vested in us, hereby warrant, and authorize the red ensign of His Majesty's fleet, with the Canadian coat-of-arms in the fly to be used on board vessels registered in the Dominion.

Given under our hands, and the seal of the Office of the Admiralty this 2nd day of February, 1892.

(Signed) H. FAIRFAX.
FRED. G. D. BEDFORD.

By command of their Lordships.
(Signed) Evan MacGregor.

To this a circular letter was issued by the Department of Marine and Fisheries, Ottawa, which reads as follows :—

In accordance with the permission granted by the above warrant, the following regulations have been adopted by the Canadian government :—

1. The area of the shield shall in no case exceed one-fourth the area of the Union Jack of the particular ensign.

2. The shield shall be placed centrally in that part of the fly which is beyond the Jack.

(Signed) WILLIAM SMITH,
Deputy Minister of Marine and Fisheries.

Department of Marine and Fisheries,
Ottawa, June 10, 1895.

I desire to state here, that my object in bringing this subject of the Canadian flag prominently before parliament at present, is to have the world understand that Canada has a flag, composed of the British ensign with the Canadian coat of arms in the red fly thereof, and has authority to fly it. My object also is to urge the government of Canada to communicate with the office of the Lord High Admiralty in London, through the Secretary of State for the colonies, asking that all British consuls throughout the world be advised of Canada's position as respects her flag, particularly the consuls of Bahia and Rio-Grande-do-sul Brazil, in order that the unnatural and outrageous treatment extended to Canadian shipmasters, sailing Canadian ships, when visiting the various ports, particularly those referred to, cannot ignore the Canadian flag in future, and that all Canadian shipmasters, and the merchant marine of Canada may be advised as well, by a public notice issued by the Department of Marine of Canada and published in the Canadian 'Gazette,' informing the public of Canada's right to float her Canadian ensign in every sea.

It is wonderful the great instinct of the human race, the great delight we possess in the flying of flags. There is a something innate in man causing him to be enthused by a significant emblem raised in the air, whether it has the insignia of office or descent, or as the symbol of race or nationality —our national flag—it matters not. The flag of old England and the empire of which we may be justly proud—the Union Jack—when floated or wherever exposed, has an inspiring effect, there being in it so much of sentiment and meaning for sober thought. In the words of the poet, so beautifully outlined :

The Union Jack.

It's only a small bit of bunting,
It's only an old coloured rag,
Yet thousands have died for its honour
And shed their best blood for the flag.

It flutters triumphant o'er ocean
As free as the wind and the waves,
And bondsmen from shackles unloosened
'Neath its shadows no longer are slaves.

We hoist it to show our devotion
To our King, to our country, and laws,
It's the outward and visible emblem
Of advancement, and liberty's cause.

You may say its an old bit of bunting,
You may call it an old coloured rag,
But freedom has made it majestic
And time has ennobled the flag.

Even the colours in the Union Jack, and you will remember the Union Jack forms part of the Canadian ensign, has its sentiment and significance, the red indicating courage, white the emblem of purity, and blue the emblem of truth, more strikingly given in the old loyal and familiar song: 'Three cheers for the Red, White and Blue,' or more sentimental and expressively rendered 'Three cheers for the brave, pure, and true.'

Let me say that lessons such as this, should be deeply impressed upon the minds of our Canadian children, particularly at school, so as to have them live lives worthy of the ideals of their national flag, and frame the character of our nation by its teaching.

With such natural emotions animating the hearts of our people, one can appreciate the fervid interest taken by each nation in its own national flag, and can realize and account for the associations which cluster about its folds, and are so ardently treasured in the inmost recesses of the human heart. With such feelings of affection for one's country's flag, picture to yourself the heart of that Consul in Rio-Grande-do-sul, destroying the Canadian flag by cutting the heart out of it—the Canadian coat of arms held by us so dearly and thereby mutilating the Canadian flag completely! I feel that no punishment, however severe, would be too great for the heartless act he (the Consul) has committed in the matter of the Canadian flag hoisted on the ship.' 'M. J. Taylor.' I sincerely hope this government will advise the imperial government to this end.

Kings in their turn display the banner of their kingdoms, over which they reign, and have sway, value them and float them proudly. Picture to yourself, Mr. Speaker, cutting the cross of St. George out of the flag of old England, or the cross of St. Andrew representing Scotland, or the cross of St. Patrick representing Ireland, or the fleur-de-lis from the flag of old France, or even interfering with one star, or one stripe of the star-spangled banner of the United States, would there not be a howl? Surely they would be heard from in the most emphatic tones. Then are we as Canadians to suffer the ignominy, nay, I must say the outrage of having the escutcheon or emblem of Canada constituting Canada's flag—cut out of the red fly of the ensign of old England floated on a British ship, commanded by a British master, in a foreign port, by a British consul not knowing his duty, and be silent? I say certainly not—I must therefore in conclusion, impress upon hon. gentlemen opposite the necessity of making public this matter, and obtaining redress in the manner I have advised.

Sir WILFRID LAURIER (Prime Minister). Let me say to my hon. friend that the subject which he has brought to the attention of the House in such an interesting speech has been engaging our attention for the last two or three days. The hon. gentleman told us that he would have some information to bring before us, but I think there are some facts which have passed into oblivion, and as soon as we have collected the information we shall communicate with the imperial authorities upon this important subject.

Motion (Mr. Kaulbach) to adjourn negatived.

DISMISSAL OF LORD DUNDONALD—PRODUCTION OF CORRESPONDENCE.

Hon. SYDNEY FISHER (Minister of Agriculture). Before proceeding with the Orders of the Day, I wish to lay upon the table of the House a copy of the memorandum referred to in Col. Smart's letter dated Ottawa, May 19. This memorandum was mislaid at the time the letter was copied, and was inadvertently omitted. The hon. member for Jacques Cartier (Mr. Monk), when asking for this in the House, also asked for the originals of certain other documents and papers, copies of which have been laid before the House. I would say that it is not the practice to lay the originals on the table of the House. But if the hon. gentleman gives any reason why this should be done I am prepared to do it. The hon. gentleman also asked for copies of letters of the 14th and 15th of May from Lieutenant-Colonel Whitley. One of these letters was marked by Lieutenant-Colonel Whitney 'Private' and the other 'strictly private' therefore I do not feel at liberty to lay them on the table, nor some other letters to which the hon. gentleman referred. These letters are of a personal and confidential character, addressed to me by constituents of mine, and I decline to lay them on the table.

Mr. F. D. MONK. My hon. friend the Minister of Agriculture has referred to the request which I made, and announces a principle which is new to me, when he says that the originals of documents of the importance of those I referred to the other

day, should not be communicated to the House. I am not aware that that is the practice of the House. We have an absolute right to see the original of any document to which we have access. It is only for the sake of convenience that copies are made and laid on the table of the House, I think there can be no doubt about that. I am not aware that there is any practice to the contrary. Nor are we obliged, when desirous of seeing documents, to state for what reason we wish to see the originals. Our right to inspect original documents is absolute, and we are not obliged to state why we wish to see them. I would like your ruling upon that point Mr. Speaker. However, I do not think there is any doubt about it. Now, as to the documents marked 'private,' I stated the other day when I made my request to the House, that I considered that no document having reference to the organization of this Scottish regiment could be considered as a private document. The questions which have been raised by what is called the Dundonald affair are matters which concern the entire organization of the militia, and the hon. gentleman's conduct in regard to that organization has been called in question, and also his right to interfere in any way with the organization of a militia regiment. I do not think it is a valid defence to make to the House that wishes to become cognizant of all the circumstances connected with the organization of the regiment, to say that the document is marked 'private,' even 'strictly private.' No document concerning public affairs is a private document to the extent that communication of that document can be refused to the House. I think that is the rule. My right hon. friend the Prime Minister, if I mistake not, a few years ago read a letter which was addressed to him by Reverend Father Lecombe.

Hon. CLIFFORD SIFTON (Minister of the Interior). Will the hon. gentleman allow me to ask him a question ?—Perhaps I misunderstood him. Does he mean to say that if a gentleman writes a letter to a member of the government and marks it 'private and personal,' and therein refers to a matter of public importance, such, for instance, as the organization of the militia, that it becomes a public document and must be produced to the House upon demand ? Is that the hon. gentleman's position ?

Mr. MONK. I will tell the hon. gentleman what my position is. When the House, in the exercise of its rights, wishes to inquire into all the circumstances connected with the organization of a regiment, and calls for correspondence having reference to the organization of that regiment, it is no answer to the demand of the House to say : We will give you the correspondence which is not marked 'private' but any letter, although referring to the constitution of that regiment, which happens to be marked 'private' we will not give to you.

Mr. SIFTON. Nonsense.

Mr. MONK. That is my contention, otherwise it would be impossible for the House to inquire into all the circumstances connected with the organization of that regiment ; it would be possible, in other words, for any man communicating with the members of the government on that subject, by simply stamping his letter 'private,' to exclude it from the cognizance of the House, and that circumstance would really take it out of our jurisdiction. A letter which, if my memory serves me right —the matter can easily be verified, I am now speaking of what occurred several years ago—which was addressed by Father Lecombe to the right hon. the Prime Minister, was read by the right hon. gentleman in a discussion which took place in this House during the last preceeding parliament.

Sir WILFRID LAURIER. My hon. friend is altogether mistaken.

Mr. MONK. My right hon. friend may correct me after I have finished. That letter was marked 'private' and the fact was brought to the attention of the right hon. gentleman by some member on this side of the House, and the right hon. gentleman stated on that occasion that it was a matter relating to the conduct of public affairs, and that no letter of that character could be considered as private. That is my recollection of the circumstance, I will verify it, but I think I am correct.

Sir WILFRID LAURIER. Does the hon. gentleman refer to a letter of Father Lacombe on the school question ?

Mr. MONK. That is the reference.

Sir WILFRID LAURIER. That letter never was read by me in the House, and that letter was not marked 'private.' I will show it to my hon. friend any time if he wishes.

Mr. MONK. The fact may be as my right hon. friend states, I do not question his good faith, but my recollection is pretty distinct. At any rate I maintain that we cannot fully inquire into the circumstances of the organization of this regiment and, if I may be allowed to say so, into the charge of interference by the hon. Minister of Agriculture unless we can see these letters, which, although marked 'private,' concern the beginning and organization of this regiment. If these letters are refused us we will be at a disadvantage under which as members of this House we ought not to be placed.

Mr. FISHER. I would point out to my hon. friend that his argument as to the correspondence not being laid on the table of the House has only reference to where the order of the House has issued. In this case there has been no order of the House issued and that contention absolutely falls to the ground. At the same time I do not in any way act upon that argument.

Mr. MONK. Was there not an order for the production of the correspondence ?

Mr. FISHER. No, there was a request for the correspondence and that request was complied with, frankly, freely and promptly.

Mr. MONK. My hon. friend the Minister of Agriculture must remember that the hon. Minister of Finance stated that the correspondence which I asked for would all be brought down unless there was something private. What I maintain is that there is nothing private in this connection.

Mr. FISHER. I am not speaking of the hon. gentleman's request of the night before last. I am speaking of the original request to have this correspondence laid on the table of the House, a request which was made by some hon. gentlemen of the opposition and which was frankly acceded to by myself and my colleagues, when the letters which are now before the House and which are contained in this printed document were brought down. But, independently altogether of that I may say in the first place to my hon. friend that when an order of the House issues it is an order for copies of the correspondence, and it is only when the request is made and some grounds shown for it that the originals are brought down. I can only suppose that my hon. friend wishes the originals of these letters because he thinks that the copies are not correct. If the copies are absolutely correct I cannot conceive of any particular purpose in bringing the originals down. I can only say to my hon. friend that I have in my hands the originals of the letters which he refers to. He refers to two memoranda. I only know of one and therefore I can only lay that one on the table, but in regard to the two letters of Colonel Smart and the memorandum that is referred to in the letter I will lay the originals on the table at the present moment in deference to the hon. gentleman's request although I think it is contrary to the usual practice.

Mr. R. L. BORDEN. I would like to say to the right hon. Prime Minister (Sir Wilfrid Laurier) that I propose to move a resolution in connection with the incident that has just been referred to and if it will be convenient for the government to enable us to do that by moving the House in Committee of Supply to-morrow afternoon I would like to know it. If it will not be convenient to have the discussion upon this subject, then I would like to know what day the government would suggest.

Sir WILFRID LAURIER. Certainly we shall do so with pleasure ?

Mr. R. L. BORDEN. To-morrow ?

Sir WILFRID LAURIER. Yes.

SHIPPING CASUALTIES ACT, 1901. AMENDMENT.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) moved that the House go into committee on Bill (No. 102) to amend the Shipping Casualties Act, 1901.

Mr. T. CHASE CASGRAIN. Mr. Speaker, before you leave the chair I would like to call the attention of the House to the fact that the change proposed by this Bill is something of the same nature as that which was proposed the other day by my hon. friend (Mr. Préfontaine) when he moved the second reading of Bill (No. 100) entitled 'An Act to amend the Pilotage Act' to this extent that instead of substituting the authority of the minister he now substitutes the tribunal which is created by the statute of 1901 entitled 'The Shipping Casualties Act.' The latter Act enacts that :

> The minister may direct the principal officer of customs residing at or near the place where such shipping casualty occurred, if it occurred on or near any of the inland waters of Canada or on or near the coasts of Canada—

Mr. SPEAKER. I would ask the House to keep better order. We cannot hear a word of what is being said.

Mr. CASGRAIN (reading)—

> —but if elsewhere, at or near the place where such witness as aforesaid arrives, or is found, or can be conveniently examined, or any officer of the government of Canada, whom the minister appoints, or any other person appointed by the minister, to make inquiry respecting such shipping casualty.

In virtue of the statute the person thus appointed or empowered to hold the investigation into the conduct of the master or mate of a ship is also empowered to impose fines and penalties on the master or mate who is found guilty of infractions of the law or of neglect of duty. By the amendment to this statute it is sought to enlarge the powers of this tribunal so composed, so that the tribunal may be also a tribunal for the trial of pilots. The Bill says, subsection 2 of section 2 :

> If, upon a preliminary inquiry, the officer holding it is of opinion that any loss, or damage, or the stranding of any ship, or any loss of life, has been caused by the wrongful act or default of the pilot in charge, or that such pilot has been guilty of any gross act of misconduct or drunkenness, the license of such pilot may be suspended by such officer until a formal investigation under this Act has been held and a further decision rendered upon the case.

Section 3 adds section 27 to the Act already existing and it enacts that if the pilot is found guilty by this tribunal his license

may be cancelled, he may be suspended and he may be condemned to a fine.

In any sum not exceeding one-half of the net income he derives from his service as a pilot, based upon his earnings for the previous year.

Mr. Speaker, I really must ask you to maintain order. I do not see how it is that we should be obliged to speak at the top of our voices to be heard on the other side of the House. It is really very fatiguing.

Mr. SPEAKER. I must say that I have done my best to try and keep order, but it seems that the House has no respect whatever for the chair. The Speaker calls out 'order' three or four times in succession and nobody seems to pay the slightest attention to it.

Mr. CASGRAIN. This vests this tribunal with large powers and it is taking away from the pilotage authority that is established, especially in the district of Quebec which tries pilots, the authority that it has now to try them. Of course the penalties to which pilots are subjected are very severe, and they are made more severe by this Bill because not only can they be suspended, but the sentence of the court may be to this extent, that a pilot can be put under a penalty not exceeding one half of the net income he derives from his services as a pilot based upon his earnings for the previous year. Therefore, if a pilot earns $1,000 in a year, he could be fined to the extent of $500. If we were sure that the person appointed by the minister would always be a fit and proper person, probably there could not be much exception taken to the Bill. But, under this law, the minister has vast power. He may appoint a principal officer of customs or any officer of the government of Canada, or any person, to make preliminary inquiries. I understand that heretofore Captain Spain or Captain Salmon with two nautical assessors have been appointed. I have not the least objection to these two gentlemen or to the assessors who have been appointed hitherto, but at the same time the minister takes power to appoint any officer of the government, and however competent an officer may be to discharge his ordinary duties, when it comes to trying a pilot for neglect of duty or negligence, it is a technical matter which these officials may not be competent to deal with. I would suggest that section 4 limit the minister's authority to the appointment of some person who would be qualified.

Motion agreed to, and House went into committee on the Bill.

On section 1,

Mr. R. L. BORDEN. What is the meaning of the expression : 'any person not belonging to a ship ?' It seems a curious expression to use.

Mr. PREFONTAINE. It means a person hired especially to act as pilot.

Mr. R. L. BORDEN. Is the expression taken from any other legislation ?

Mr. PREFONTAINE. The Bill was drafted by my department, and submitted to the Department of Justice. It would not mean a pilot engaged by the year, for instance.

Mr. R. L. BORDEN. The whole expression : 'any person not belonging to a ship who has the conduct thereof,' seems rather peculiar.

Mr. CASGRAIN. A number of ships trading between the gulf ports and Quebec and Montreal, have pilots who are hired by the year and who act as captains. Would they come under this law ?

Mr. GEOFFRION. This may not be a very happy expression, but I have seen it used in similar legislation. It means a pilot who is in charge of the navigation of the boat at the time, but who is not part of the personnel of the boat.

Mr. CASGRAIN. Then, what about the men who pilot these ships from the gulf ports—thus dispensing with the employment of temporary pilots—but who are engaged by the year ? Being pilots they are employed as captains, and consequently the ship is not obliged to take a pilot.

Mr. PREFONTAINE. Then they become masters.

Mr. CASGRAIN. The hon. gentleman said that this Act did not apply to any person hired by the year, and therefore these men would not come under the operation of the law.

Mr. PREFONTAINE. They would become masters in that case, and they are provided for in another section.

Mr. ROSS (Victoria). A pilot is a person who is engaged to navigate a ship for the time being, and who is not on the articles of the ship as the master and the other officers are. If he is engaged to navigate a ship for a whole year, then he is an officer of that ship, and is on the articles and this Act would not apply to him.

On section 2,

Mr. R. L. BORDEN. This would permit the government to appoint the inspector of insurance for example or a clerk in the Inland Revenue Department to investigate a shipping casualty, as I understand the effect of the section.

Mr. PREFONTAINE. I have retained the same definition as existed in the former Act passed in 1901, and that Act applied to masters, mates and engineers. If the parliament of Canada at the time they passed this

Act had sufficient confidence in the Department of Marine to trust them and to believe that they would appoint a proper officer and if there has been no complaint since this Act was put in operation, not even from those against whom the Act operates, the masters, mates and engineers who are just as important as the pilots, I do not see why there should now be any complaint. But of course I would have no objection to any suggestion to improve the clause.

Mr. R. L. BORDEN. My only objection was that the clause in its present form, and in its former reading is very comprehensive. It does not limit the appointment to skilled persons in any way.

Mr. PREFONTAINE. The original Act did not either.

Mr. R. L. BORDEN. I know, and of course the original Act is open to the same criticism. However the responsibility will be always on the government to appoint the person. I suppose that is the only justification for the clause if it has any justification.

Mr. CASGRAIN. I would suggest that this subsection be amended by adding the word 'skilled' before the word 'person' in the third line, so that the section would read, 'or any skilled person.'

Mr. PREFONTAINE. Define what you mean by 'skilled person.'

Mr. CASGRAIN. Skilled in this particular matter, skilled to make preliminary inquiries respecting such shipping casualties. The word 'skilled' is defined by the words coming after, skilled in such matters as the Bill relates to.

Mr. PREFONTAINE. If a person other than a customs officer is appointed, would you exact that he be skilled, and who is to pass on his qualification? If this was adopted I am quite sure it would nullify the effect of the Act, because every time there would be a dispute about the skill of the man appointed. If you want to afford the shipping interest the necessary guarantee, you must trust some one, and it is not likely that the officers of the Department of Marine would appoint a man not able to carry on an investigation. If an investigation was not carried on properly the department would suffer because the shipping people would very quickly make a public complaint. There has been no complaint since 1901 when this Act went into operation. Capt. Salmon who is the head of the department as regards masters and mates has always taken care to have the best assesssors he could find to help him in the investigation and the investigations have proven very satisfactory every time.

Mr. CASGRAIN. How are the assessors apppointed, under the law?

Mr. PREFONTAINE. Under the law, section 9 of the Act, and the section shows that every precaution is taken.

Bill reported.

Mr. PREFONTAINE moved the third reading of Bill.

Mr. CASGRAIN. The Bill is certainly one which gives great powers to the minister and the tribunal he has created for the trial of pilots. It seems to me that neither in regard to the tribual nor the mode of trial are the proper safeguards provided for the protection of the pilots. However as this is a government measure, it would no doubt carry even if I moved its rejection. And I desire simply to put on record my protest.

Motion agreed to, Bill read the third time, and passed.

SUPPLY—TRENT CANAL.

Hon. W. S. FIELDING (Minister of Finance) moved that the House go into Committee of Supply.

Mr. H. A. WARD. Before we go into Lake Ontario. I mentioned yesterday to the attention of the House a matter in connection with the proposed completion of the Trent Valley canal between Rice Lake and Lake Ontario. I mentioned yesterday to the hon. Minister of Railways that I desired him to be present when I made my remarks, but as he is absent, I am perfectly willing to wait, should my right hon. friend the Prime Minister desire that I should not go on in his absence.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). If it would be equally convenient to my hon. friend, I would be glad if he would put off his remarks until another day.

Mr. WARD. I am perfectly willing.

Motion agreed to, and House went into Committee of Supply.

Removal obstructions in navigable rivers, $1,000.

Mr. CASGRAIN. Before we discuss this item, might I ask the right hon. gentleman whether he has that letter or report or telegram from Captain Bernier to which he alluded yesterday?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). I have looked up the record and I find that it is incomplete. I am waiting for a report from Captain Spain, who was sent specially to Quebec to investigate. There will be an item in the supplementaries, under which all the matters in connection with the 'Gauss' will come up, and the record will then be submitted to the House.

Mr. CASGRAIN. When we were discussing the 'Gauss' yesterday, the question of interviews came up given by Captain Bernier to the 'Mail and Empire' and 'La Presse' and my hon. friend said he had a letter from Captain Bernier which denied that he had given any interviews to the press. What I want to know is whether or not the hon. gentleman has any such letter and if so why does he not produce it.

Mr. DEPUTY SPEAKER. In my opinion this matter has no connection whatever with the item submitted to the House. It will come up on another item.

Mr. MONK. I merely wish to say that yesterday when we passed the item for maintenance and repairs to government steamers, it was understood that we would be at liberty to discuss any question in connection with that item on the following items. My hon. friend from Montmorency was called away to the telephone when we were discussing the question, and we only allowed the item to pass on that assurance being given us.

Mr. DEPUTY SPEAKER. On looking into the matter, I find that Captain Bernier's connection with the steamer 'Gauss' does not come up either under the item we have passed or any of the subsequent items in the main estimates. The minister tells us that it will come up under a special item in the supplementaries. It is therefore out of order to discuss it now.

Mr. SPROULE. Is the 'Gauss' a government steamer? If so we can discuss it under the item for maintenance and repairs of government steamers.

Mr. PREFONTAINE. I stated yesterday that no money was asked for the maintenance of the 'Gauss' and that this item had no connection whatever with that steamer. It would not be fair now to judge the question on the filing of part of the record. As soon as the record is complete and the item comes up in the supplementaries, I shall place all the papers before the House.

Mr. SPROULE. Would the minister pretend that we could not discuss the sale of the 'Bayfield' under this item?

Mr. PREFONTAINE. The 'Bayfield' was a boat which was on the hydrographic survey, and that is another item altogether.

Mr. INGRAM. The hon. minister, in reply to my hon. friend from Montmorency, referred to a certain document and he now refuses to lay that document before the House. It seems to me that he is bound to submit to the House any document to which he has made any reference.

Mr. MONK. I would call the attention of the minister to a matter which is of some importance in the county of Jacques Cartier, and with which he is as well acquainted as I am. He knows there is, behind the island of Montreal, a stream known as Back river or Rivière des Prairies, which passes in front of the parish of Ste. Geneviève. On one side is the parish of Ste. Geneviève, a populous parish. This is on the island of Montreal, and is frequented by a considerable number of people from the city of Montreal during the summer. Opposite is the parish of Ile Bizard, which island is nine miles long and a mile or two wide, and lying in the lake of Two Mountains. This would be a very important place for a summer resort if it were more easily accessible. These two parishes, lying thus face to face on the Back river, are about eight miles from Ste. Anne's and in the lake of Two Mountains. The lake of Two Mountains empties into Rivière des Prairies, which passes in front of the parish of Ste. Geneviève and Ile Bizard, about three miles from the lake. There would be uninterrupted navigation from the lake of Two Mountains down to these two parishes from Ste. Anne's, and consequently from Vaudreuil, Oka, Hudson, Como and, in fact, all the ports of the Ottawa river, but for a small obstruction just at the point where the lake of Two Mountains empties into the Back river. There is a small rapid—in fact it is called Little Rapid—and were it not for this there would be uninterrupted navigation between the lake and these two parishes. I have always been under the impression—and that impression is general among the people down there—that this obstruction could be removed at a comparative trifling cost. What I would like the Minister of Marine and Fisheries to do, if the cost is really trifling, is to have this work of removal of this obstruction done out of this vote. He might perhaps have the obstruction examined by one of the engineers of his department and, if the expense is not very great, and a channel of 15 or 20 feet could be had by doing a little work, the two parishes I have mentioned would be benefited, and, in an indirect way, so would the whole of the city of Montreal. Access could be had to these parishes to the lake at all times. As we have no railway communication at Ste. Geneviève or Ile Bizard, I think this modest request deserves the attention of the minister. I hope he will look into the matter and have the work done, if it is not found to be too expensive.

Mr. PREFONTAINE. Has the hon. gentleman (Mr. Monk) any idea of what it would cost?

Mr. MONK. No; but I have often been told by people from the place, not experts, of course, but people having some local knowledge, that the shallow water, where it flows through the Little Rapids—it can scarcely be called a rapid—extends over a very short distance, and that a little blasting would remove the obstruction and allow free access to these two parishes from the

lake—in fact, would make these river ports. My hon. friend understands, of course, that that is a matter of some importance.

Mr. PREFONTAINE. I have no objection to having the investigation made, and if the removal of the obstruction comes within the purview of this vote I will attend to it.

Tidal service, including salary of assistant clerk beyond salary of $400, notwithstanding anything in the Civil Service Act, $22,500.

Mr. BLAIN. When was the steamer 'Gulnare,' which is used in this service, purchased, and what was the cost ?

Mr. PREFONTAINE. The steamer was bought a year ago last November at a cost of $26,000.

Mr. BLAIN. The minister was not very accurate in his estimates. I notice when this matter was up for discussion before, he said the salaries would amount to about $2,400 ; now they are over $6,000.

Mr. PREFONTAINE. The pay-list of the officers and crew for the last year amounts to $6,513.73. That is what was expended.

Mr. BENNETT. Was this a second-hand boat or a new one ?

Mr. PREFONTAINE. The boat was built for the imperial government, and specially fitted up for this kind of work. She was leased by the imperial government and bought from the owners. She was built of steel, and is nine years old.

Mr. BENNETT. We had a case yesterday in which it was shown that a boat had to be disposed of on account of her age. It seems to be the policy of the minister to purchase these old second-hand boats from time to time. May I ask the minister when he is about to invest in a boat, what steps are taken ? Is a specification prepared of the kind of boat that is required, and are tenders invited as to what such a boat will cost ? Or does the minister simply go out and hear of some person having a boat and buy it at their own price ? What is the policy of the department in this respect ?

Mr. PREFONTAINE. In this case there is no fixed policy. In this case the department wanted a boat, and bought one in April, 1902, before I took charge of the department. This boat was offered to the department, and Mr. Douglas Stephen, inspector of government steamers, was asked to make a report on her, which report I now have before me. I may say that the boat cost originally $85,000, and it was bought for $36,000 on the recommendation of Dr. Dawson who was in charge of the service. It was the only ship available for this kind of work.

Mr. BENNETT. It seems to me that some person comes along, whenever they hear that the minister wishes to buy a boat, and offer it at their own price. Then some officer of the department comes in, and if he thinks it is right the boat is taken at that price. I do not think there is any other department that proceeds on those lines. If the department wants a boat there is a procedure laid down. Plans are prepared and tenders invited. If that is not always the case, it should be. But the minister, in disregard of business methods, looks around, makes up his mind that he must have a boat, and then and there if he sees one that suits him, he gives the vendor his own price. Was this the first price asked by the vendor, or did the minister succeed in beating him down ?

Mr. PREFONTAINE. The purchase was made, as I have said, before I took charge of the department. An explanation was given, I am informed, a year ago, and was considered satisfactory. The boat was built specially for the imperial government for the same kind of work that she is doing at the present time. She cost $85,000, and was bought for $36,000, after the owners had asked $42,000.

Mr. BENNETT. Then there must have been something radically wrong with the boat, if she cost only $85,000 six years before, and was sold for less than half that sum. What explanation can the minister give as to why the boat—I presume she was an iron bottom boat—was sacrificed at that figure ?

Mr. PREFONTAINE. She was in perfect condition, and the reason we were able to buy her at such a low price was that the imperial government had no more use for her. She could not be used for any other purpose, because she was built specially for that purpose.

Mr. BENNETT. Are there any vessels being constructed now for his department ?

Mr. PREFONTAINE. Yes. The 'Canada' is being constructed by Vickers, Maxim & Son. She is a cruiser, and was launched on the 14th of this month.

Mr. BENNETT. What is the prospective cost of that steamer ?

Mr. PREFONTAINE. I forgot to mention that another one is being constructed by the Polson Company, Toronto, a cruiser destined for the lakes to replace the 'Petrel,' which was not found fast enough to compete with the American boats.

Mr. BENNETT. What is the estimated cost of the two boats ?

Mr. PREFONTAINE. I will be ready to give all the details regarding these two boats when the item comes up.

Mr. BENNETT. Approximately.

Mr. PREFONTAINE. I think the contract price of the one that is built by Vickers, Maxim & Son, was £38,000. The one being built by the Polson Company is $125,500. I will bring down the contracts,

plans and all the papers when the item comes up.

Mr. BENNETT. In the case of the boat that is being built in the old country, were the plans prepared by the department; also were plans prepared for the boat that is being constructed by the Polson Company?

Mr. PREFONTAINE. The plans were prepared in the department and submitted to experts and prices were asked on these plans.

Mr. BENNETT. When the hon. minister comes down again with some further estimates will he be good enough to give the tenders which were submitted for the two boats, first, for the one constructed in the old country, and second, for the one constructed by the Polsons? No one can find fault if, after the preparation of plans and specifications, these were openly advertised and tenders invited. In that case it would be a business proposition. But, on the other hand, if the department simply invited these gentlemen in the old country and the Polsons to construct boats and then to fix their own prices, it is a different proposition.

Mr. PREFONTAINE. I will have all the information.

Mr. INGRAM. Is the Polson boat to be built in the time limited?

Mr. PREFONTAINE. She is going to be delivered within a week.

Winter mail service, $8,500.

Mr. BLAIN. Give us some explanation of that?

Mr. PREFONTAINE. This vote is for keeping up winter mail connection between Cape Tormentine, N.B., and Cape Traverse, P.E.I., across the Straits of Northumberland.

Mr. TAYLOR. I see that the hon. minister spent only $6,211 on this service during 1902-3. Does he expect it to be more costly this year?

Mr. PREFONTAINE. This is an uncertain expenditure. It depends entirely on the difficulty that is experienced in crossing the strait.

Marine biological station, $3,000.

Mr. PREFONTAINE. This is a new experiment not inaugurated by me, but it is an expenditure which began in 1898 when an amount of $7,000 was placed in the estimates for a marine biological station, $5,000 for providing a floating station, and $2,000 for providing for the maintenance and support of such station and the payment of salaries. It was found that $2,000 a year was not sufficient to meet all the expenses in connection with the maintenance of the station and the salaries of the university professors who have the station in charge, and they called upon me, and I agreed to increase the amount to $3,000. That amount was voted in the supplementary estimates last year. Last year the station was located at Malpeque. I have not yet received the report of the professors in charge.

Mr. SPROULE. What is the station for?

Mr. PREFONTAINE. These scientific people make special researches into and studies of fish life. They are professors of the different universities at Toronto and elsewhere. It was at their request that this biological station was established in 1898 and it has been maintained since that time.

Mr. OSLER. Is that the station at which Professor Ramsay Wright was experimenting last year?

Mr. PREFONTAINE. Yes.

Mr. OSLER. Has he sent in his report to the department?

Mr. PREFONTAINE. No.

Mr. OSLER. I think it would be a very interesting report if it were sent in, and if the government are spending money in that direction, the result of the experiments should be given to us.

Mr. PREFONTAINE. It is proposed to issue it.

Mr. HACKETT. Might I ask who are the gentlemen in addition to Professor Prince who are connected with this biological station?

Mr. PREFONTAINE. All the professors from Toronto, McGill and Laval universities.

Mr. HACKETT. What is the object of having this biological station?

Mr. PREFONTAINE. I think I had better read from the report of last year, because it would be very difficult for me to explain clearly what is done at this station.

MARINE BIOLOGICAL STATION.

In last year's report it was pointed out that by a resolution of the board of management this scientific fisheries' station was to be moved from Canso to a suitable location on the shores of Richmond bay, adjacent to the famous Malpeque oyster beds. Unfortunately, after leaving Canso, on May 18th, and while the floating station was being towed up the Northumberland straits, a period of stormy weather began, and the station went aground not far from Pictou harbour. . . . . The information gained proved of the greatest value in carrying out three new methods of oyster breeding and fattening from which it is anticipated a most essential basis of facts will be secured with a view to the improvement of the valuable but deteriorated beds all along the coast of Prince Edward Island and New Brunswick. Faunistic and embryological

studies were also pursued by the staff, and a most successful season's work closed about the end of September. Further oyster work, and fisheries surveys of a highly valuable nature will be continued during the season of 1904.

The programme of work for the year was as usual prepared by the director (Professor Prince) ; but owing to the mishap referred to and the consequent delay, the whole of the field outlined could not be covered. It embraced :—

1. Faunistic work ; surface and bottom ;
2. Pelagic ova and young of Teleosteans ;
3. Extended studies on the life history of the oyster, its food, reproduction and local variations on the famous Malpeque and Curtain island oyster beds ;

(Richmond bay, being one of the most famous and extended places of oyster beds in the world, affords splendid facilities for this important field of fisheries investigation.)

4. Experiments in raising oysters by fascines, viviers, claires, &c.;
5. The occurrence of smelt in the local streams, the schools of young and food at different stages ;
6. Faunistic studies, especially fishes, a great variety of specimens available at some of the fishing stations along the shore.
7. A thorough study of the external features and internal anatomy of the sea trout of Prince Edward Island, and comparisons with specimens of brook trout from inland waters. This research is intended to decide an important controversial point in connection with the fisheries administration ;
8. Experiments on the behaviour of lobsters in traps, especially, with regard to the entrance and exit of small, undersized lobsters ;
9. A comparison of the schools of young clupeoids herring, alewives or gaspereaux, shad, &c.;
10. A study of the peculiar structures developed on tidal gauges, floats, material for which will be provided by Dr. Bell Dawson ;
11. Studies on the clam beds, soft and hard shelled ;
12. Inquiry into the depredations of dog-fish, and methods of coping with the serious plague of these fish.

Mr. CASGRAIN. Would the hon. gentleman give us a resume of what he has just read. In the first place we do not understand a word of what he has said except his reference to Malpeque oysters.

Mr. PREFONTAINE. I thought I had it very clearly at the beginning and that it was only for the pleasure of having me read the list of subjects mentioned in the report that the request for further information was made of me. If I say a few words I am called down, and if I say too much I am called down. What I said was that these scientists are making a special study of fish life in its different phases. They are studying the oyster, the taking of which is becoming an important industry and they are also devoting their attention to other questions affecting fish life.

Mr. HACKETT. I understand the hon. minister to say that there is no report of last year's operations.

Mr. PREFONTAINE.

Mr. PREFONTAINE. We have not received it yet.

Mr. COCHRANE. Is it private ?

Salaries and expenses of cattle inspection, $3,600.

Mr. SPROULE. What is this cattle inspection ?

Mr. PREFONTAINE. This vote is to pay the officers whom the department has charged specially to see that cattle are shipped in compliance with the regulations as to cattle space, food, &c. There are two in Montreal and one at St. John.

Mr. BLAIN. Could the hon. gentleman give us the salaries paid to these gentlemen ?

Mr. PREFONTAINE. Geo. H. Pope, formerly of Belleville, gets $1,000 ; and H. Delorme $1,000. They are the inspectors at Montreal. The expenses of the inspectors were $207.72. Thos. Buckley, the inspector at St. John, has a salary of $800. There was paid to Mr. Hunter, at Halifax, $67.15, and H. P. Walsh, Charlottetown, $500.

Mr. BLAIN. Do I understand that the cattle exported at these different ports are inspected by these gentlemen ?

Mr. PREFONTAINE. Yes.

Mr. BLAIN. Do they make a report?

Mr. PREFONTAINE. Yes. It is published in the report of the department.

Mr. INGRAM. What salary is paid to O. G. V. Spain ?

Mr. PREFONTAINE. $2,000 a year.

Mr. INGRAM. I see the government paid $100 for a fur-lined coat for this gentleman. Can he not provide his own clothing ?

Mr. PREFONTAINE. That amount has been refunded by Captain Spain. It was on a trip to Newfoundland and he thought he was authorized on account of the severity of the winter to make that expenditure. He refunded the amount when he was called on to do so.

Mr. SPROULE. The Auditor General's Report does not say that it was refunded.

Mr. PREFONTAINE. I am informed that the amount was refunded since that report.

Mr. FOWLER. Where is the coat ?

Mr. PREFONTAINE. I suppose he has got it himself ; he paid for it.

Mr. FOWLER. Is this officer still in the employ of the department ? Do you allow your officers to go around buying what they please ? Do I understand the minister to say that this man whom the government paid $100 for a furlined coat for, can charge his ordinary clothing to the country ? Is

that the minister's view of what his duty to the public is ? It was only on account of the vigilance of that most excellent officer, the Auditor General, that attention was called to this, and the country saved this amount. And the Auditor General's services are to be dispensed with, because he can no longer put up with the way in which his decisions are overruled by this government. It seems to me that the Minister of Marine should give a pledge to this committee that this man Spain should be dismissed from the service ; a man who has such an idea of his duty as a public officer.

Mr. PREFONTAINE. In justification of Captain Spain I am informed by my officials that he was authorized to buy this coat, on account of the extended trip he was taking ; and when it was discovered it was illegal, he kept the coat and refunded the money.

Mr. FOWLER. What officer authorized him to buy this coat, because he happened to be going to Newfoundland? The climate of Newfoundland is not so much different from the climate of Canada as to necessitate the government buying a coat for him, any more than if he were going to any other part of Canada.

Mr. PREFONTAINE. I am informed that it was during a severe winter when he was snowed in for eight or ten days, and he asked authorization from the minister, and the minister gave him the authority or some employee implied that he was authorized from the minister to buy a coat. He used the coat, and when the department was called upon to reimburse the amount as an illegal expenditure, he reimbursed it.

Mr. FOWLER. Where does that amount appear as being reimbursed.

Mr. PREFONTAINE. It will appear in the next Auditor General's Report.

Mr. FOWLER. Had this man no coat at all ? It seems rather strange that in Canada, a man occupying the position of Captain Spain would not be in possession of a furlined coat. Men who receive less salaries than he, have furlined coats. It is only a small matter I admit, but it is a straw which shows how the wind is blowing. It is a most outrageous thing. Who was minister when this authorization was given to Spain to buy a coat—I am reminded by one of my hon. friends that this $100 for the coat, is just the price the minister got for that timber limit which he sold to his friends. It took that $100 to supply a coat for an officer.

Mr. COCHRANE. One hundred dollars from the minister's point of view is no great matter, when they are frittering away millions. But it is a considerable amount in the eyes of the hard working farmers of this country. Here is a minister of the Crown who sells timber off 100 acres of land for just the amount of money that one of his officials is giving for a furlined coat. The principle underlying this transaction is what I object to.

Mr. CASGRAIN. It was not principle; it was fur that was underlying it.

Mr. COCHRANE. If the government keep on at this rate taking taxes out of the people for such purposes, there will not be much fur left on the taxpayers. The right hon. the Prime Minister tells us that they are a business government.

Sir WILFRID LAURIER. Hear, hear.

Mr. BENNETT. That is a joke.

Mr. COCHRANE. A minister of the Crown should not joke in such a serious matter.

Sir WILFRID LAURIER. The hon. gentleman (Mr. Bennett) sitting beside you is your joker.

Mr. COCHRANE. When the Prime Minister tells me that this is a business government he is not only deceiving me but he is deceiving the whole country. I appeal to you, Mr. Chairman (Mr. Macdonald) if any business man would sell the timber on a 100 acres of land without asking for tenders.

An hon. MEMBER. On the recommendation of a member of parliament.

Mr. COCHRANE. I can see that he might be deceived by a member of parliament, but if he were a business man he would not be. I have no doubt of Mr. Spain's ability. Mr. Spain no doubt is a very worthy officer and I understand how Mr. Spain could be misled into this trouble, but do you think Mr. Chairman, that Mr. Spain would have refunded that money if it had not been for the Auditor General. I was very much grieved to hear that that gentleman is going to resign.

Mr. BENNETT. Do you mean the minister ?

Mr. COCHRANE. No. no ; I mean the Auditor General. There is no trouble about retaining the minister. He has got a good fat job and there is no trouble about his conscientious scruples forcing him to resign as long as he gets the salary he now gets. I see from the Auditor General's Report that he got an advance of $250 for travelling expenses.

Mr. CASGRAIN. He can buy a coat with that.

Mr. COCHRANE. He can explain what he did with it when I get through. I think I would retain office if I got the salary he does, and when we ask for explanations he does not know anything about the matters in question and simply reads the reports

but reads them in such a way that no one can understand him. I certainly cannot understand him. This official spent $100 for a fur-lined coat. I wish the hon. gentleman who leads this government to stop writing for a few moments and in order that I may ask him if he thinks that this is a business transaction. In looking over the Auditor General's Report I find gentlemen travelling in the Northwest buying eider-down quilts at $25 and eider-down pillows at $8 or $10.

Mr. BENNETT. They had been on the straw before.

Mr. COCHRANE. It is all very well to laugh but it is a serious matter that the public of Canada has to pay for these things. I would like to know, if any hon. gentleman representing a rural constituency in this House should submit these questions to the electorate how many of the electors, men and women who work hard to pay the exorbitant taxation required for the support of this reckless administration, could state what an eider-down quilt is. Just fancy, eider-down quilts for gentlemen rolling around the Northwest country and three or four satchels for one gentleman and $3.50 for a leather pocket-book for one official. I ask the leader of the government if he thinks that is a business transaction.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

CANADIAN CREDIT, INDEMNITY AND GUARANTY COMPANY.

House in Committee on Bill (No. 29) to incorporate the Canadian Credit, Indemnity and Guaranty Company.—Mr. Guthrie.

Mr. GUTHRIE moved to add the following words to clause 2 :

In case any of the provisional directors resign or decline to act at any time, their places may be filled by the remaining directors appointing another or others in their place, but it shall not be necessary for them to do so. The quorum shall consist of the majority of provisional directors from time to time in office and acting.

Mr. HENDERSON. This is rather an unusual clause to introduce at this stage. This Bill was considered by the Banking and Commerce Committee yesterday, and this seems to me a very important amendment to bring up after the Bill was considered by the committee. I think the promoters should ask to have the Bill sent back to the committee for further consideration and let the committee deal with it.

Mr. GUTHRIE. There was some discussion in the committee yesterday as to the number of provisional directors who should form a quorum. The difficulty is that there are eleven provisional directors and it requires six to form a quorum. They are all very prominent and busy men and it is questionable if six can be got together. This amendment only gives power to appoint new provisional directors in case any of those named decline to act or resign. If they do, the remaining directors can appoint others to fill their places, but a majority is still required to form a quorum. This does not affect the working out of the matter in any way, but still leaves a majority necessary before anything can be done.

Mr. CAMPBELL. It was pointed out in the committee that it was difficult to get a majority of the directors present and therefore it was desirable, if any should resign—which I suppose is intended by this Act—that a majority of those remaining should form a quorum. But the danger, I see is to whom are they to resign and how are they to resign. The amendment provides for their failing or refusing to act, but what evidence will we have of that ? The work done by the provisional board may be all upset by some irregularity or some difficulty in finally determining whether these directors have declined to act or to whom they are to resign. I would prefer that the number of provisional directors should be reduced instead of making this provision, as I see a good many difficulties in working it out.

Mr. GUTHRIE. I think the resignation in writing to the other provisional directors would be a sufficient resignation on which to act.

Mr. HENDERSON. It seems of little use to refer a Bill to a select committee, if action of this kind is to be taken immediately on the return of the Bill to the House. I do not think the point is well taken. I find that the names of the provincial directors include the following :

James Joseph Kenny, John Woodburn Langmuir, John Fitzallen Ellis, William Stone, Alexander Archibald Allan, Phineas Hophni Burton, Peleg Howland, William Kirkpatrick McNaught, and Robert Bryson Osborne, all of the city of Toronto, and John Roaf Barber, of Georgetown, in the county of Halton.

All these gentlemen are in Toronto, except Mr. Barber, who is in Georgetown, very near to Toronto, and who spends about as much time in Toronto as he does in Georgetown. Practically these provisional directors all live in one city. I do not see why there should be any difficulty in getting a majority of them together. Yesterday when the question was before the Banking and Commerce Committee we were firm on the point that a majority should constitute a quorum and I object to the change.

Mr. GUTHRIE. It still leaves it a majority. Some of these gentlemen, I understand, are not very anxious to act in the work of provisional directors.

Mr. HENDERSON. But surely they would be willing to meet in order to make the proceedings regular. I agree with the hon. member for West York (Mr. Campbell) that there might be a difficulty if a notification by one provisional director to all the others were counted a sufficient withdrawal. But I approve of the Bill being referred back to the Committee on Banking and Commerce. I understand that there is to be a meeting early next week, and the Bill can be considered in the House again. There is no danger of it being lost through any delay of this kind.

Mr. GUTHRIE. I would not object to that if there was anything material in it. But, as we know, the duties of provisional directors are very slight—merely to meet and organize and get subscriptions. If any one of the board does not desire to do the work and resigns, addressing his resignation to the provisional directors of the company, surely that ought to overcome any irregularity. At all events, I suspect that the gentlemen who seek the amendment are the only ones who would involve themselves. I do not think there is much in the objection.

Mr. SPROULE. How many directors are there ?

Mr. GUTHRIE. Eleven.

Mr. SPROULE. But if you drop two, a majority would be five, and surely that number can be got to take part in the organization of the company.

Mr. GUTHRIE. At present we want six. But, if two drop, five would be enough. It is a minor matter, I think.

Amendment agreed to, and section as amended agreed to.

Bill as amended reported and read the third time.

Mr. GUTHRIE moved that the Bill pass, and that the title be 'A Bill to incorporate the Canadian Credit Indemnity Company.'

Motion agreed to.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill (No. 97) respecting the Trans-Canada Railway Company.—Mr. Girard.

Bill (No. 131) to incorporate the Farmers' Bank of Canada.—Mr. Guthrie.

Bill (No. 54) to incorporate the Dominion Fire Insurance Company.—Mr. Macpherson.

Bill (No. 121) respecting the Century Life Insurance Company.—Mr. Morrison.

Bill (No. 122) respecting the Ottawa Fire Insurance Company.—Mr. Rosamond.

ALLIANCE BANK OF CANADA.

Mr. ALEX. JOHNSTON moved the second reading of Bill (No. 140) respecting the Alliance Bank of Canada.

Mr. DAVID HENDERSON. Mr. Speaker, before this Bill is read the second time, if the promoter of the Bill (Mr. Russell) is present I would like to have some explanation as to why the company have not proceeded to organize this bank before asking us to grant this extension of time. It seems to me that it is not a wise thing to keep these charters alive on the statute-book of the country unless some action is going to be taken by the promoters of these Bills. Last year we granted nine bank charters and I am not aware that more than one of these banks actually went into operation. It seems to me that it is quite unnecessary for us to proceed with the granting of bank charters year after year unless some action is to be taken. I do not think it is a wise thing to hold these charters over from year to year without taking some action, and I would have hoped that the promoter of the Bill would have been present to have given the House some reason why the purposes of the Bill had not been accomplished, why action had not been taken and the bank actually put into operation.

Mr. ALEX. JOHNSTON. The hon. member (Mr. Russell) who is in charge of this Bill, is out of the House just now. I have charge of it in his absence. When this matter came up before the House a few days ago, satisfactory explanations were given at the time as to the reason why the promoters had not gone forward with the organization of this bank during the year. This charter has not been held over from year to year. As hon. members will recollect, it was only towards the end of last session that this charter was granted and it was stated a few days ago by the hon. gentleman who is in charge of this Bill that there were some reasons why the promoters did not succeed in carrying forward the work of organization. The condition of the money market, it was represented, had prevented the gentlemen who are connected with this enterprise from carrying on the work of organization. They are men of means and I have no doubt whatever that if the House will consent to the Bill which is now before it, the work of organization will be carried forward speedily. The hon. leader of the opposition (Mr. R. L. Borden), when this matter was before the House, expressed his satisfaction with the reason which had compelled this company to delay organizing, and I am sure that my hon. friend from Halton (Mr. Henderson) will not insist at the present time upon throwing any obstacles in the way of carrying this measure to completion.

Mr. HENDERSON. If I am assured that my hon. friend the leader of the opposition, who resides in Halifax, the head office, I presume, of this intended bank, was satisfied, I would in no way desire to press any

further objection, but I must say, as I understand that the Alliance Bank is simply an amalgamation of a number of other banks, that I fail to see wherein the condition of the money market could have any effect whatever in preventing the object of the promoters being carried out.

Motion agreed to, and Bill read the second time.

THE RIO DE JANEIRO TRAMWAY, LIGHT AND POWER COMPANY, LIMITED.

Mr. W. S. CALVERT moved the second reading of Bill (No. 142) respecting the Rio de Janeiro Light and Power Company, Limited, and to change its name to the Rio de Janeiro, Tramway, Light and Power Company, Limited.

Mr. DAVID HENDERSON. This, I may say, is a somewhat extraordinary Bill. We are incorporating a company to do work in South America. I have no file of the Bill, and I am not aware whether it has been printed. It is not marked as having been printed. I think we ought to have some knowledge as to what the Bill is.

Mr. SPEAKER. It is marked as printed on my order paper.

Mr. HENDERSON. It is not marked as printed on mine, and I presume mine must rule, because this is the notice that has been given to us. My hon. friend (Mr. Kaulbach) says it is not distributed. It is a rather remarkable Bill and it was introduced somewhat late in the session by special permission. I do not think there is any reason why it ought to be hurried through the House. I think we ought to have a little of this light which is supposed to be generated thrown on the question before we pass it so hurriedly. I do not think it will suffer if it is allowed to stand for a day or two.

Mr. CALVERT. Mr. Speaker, when I asked the permission of the House to present the petition for this Bill, I endeavoured to give an explanation and it was agreed to both by the right hon. Prime Minister (Sir Wilfrid Laurier) and the hon. leader of the opposition (Mr. R. L. Borden). I think there should be no objection to the Bill going to its second reading when a full explanation can be given before the committee. As I stated at that time, the Bill is for the purpose of organizing a company to do business in Brazil. It will not interfere in the slightest with any company or corporation in Canada. These people are all Canadians; the capital will be $25,000,000, and they propose to do business subject to the laws of Brazil. As they have entered into a contract which is to be commenced within the present year, I asked the House to permit of the petition being presented. The House agreed, and I would like my hon. friend from Halton (Mr. Henderson) to allow this Bill to go to the committee so that we can get along as rapidly as possible. I think he will be perfectly satisfied when he knows the gentlemen who are connected with it. It is for the purpose of permitting Canadians to do business outside of this country.

Mr. SPROULE. This is the stage at which to explain any principle in the Bill which may be considered objectionable. The reasons stated on the introduction of a petition are simply to satisfy the House that it might be permitted to be introduced at an unusually late date. I think perhaps there is a precedent for this in a Bill we passed some years ago, but it is rather strange that we should incorporate a company to do work in some other part of the world.

Mr. CALVERT. The Sao Paulo Company is in exactly the same position as this company will be when it gets this Bill passed.

Motion agreed to, and Bill read a second time.

SUPPLY.

House in Committee of Supply.

Unforeseen expenses generally, $5,000.

Mr. BLAIN. How was this vote expended last year?

Mr. PREFONTAINE. The expenditure for last year is $2,973.25 up to the present.

Mr. BLAIN. What were the principal items of expenditure?

Mr. PREFONTAINE. The principal item was one of $1,469.80 in connection with the interruption of navigation between Prince Edward Island and the mainland. The others are small items.

Salaries and allowances of lightkeepers, $238,000.

Mr. PREFONTAINE. This year a number of new lights and stations have been erected but it is thought that the same amount that we took last year will be ample. This is the ordinary expenditure.

Mr. TAYLOR. I understand that the services of a great many of the light keepers above Montreal have been dispensed with. After fifteen or twenty years service the minister simply told these men to walk, giving them a few months notice. Is that fair treatment for men who have been in the service of the country for many years? Is it the intention to give them some compensation.

Mr. PREFONTAINE. The following oil lights in the River St. Lawrence in the neighbourhood of Gananoque, were converted shortly after the opening of navigation this year into automatic acetylene

lights, viz. : Burnt Island, Red Horse Rock, Spectacle Shoal, Jackstraw Shoal, Gananoque Narrows, Lindoe Island. The above named lights were formerly looked after by the following keepers. James A. Acton, Burnt Island; J. Lamdon, Red Horse Rock and Spectacle Shoal; Manly Cross, Jackstraw Shoal and Gananoque Narrows; John G. Wallace, Lindoe Island.

The salaries of the above named keepers were as follows: James Acton, $250; J. Lamdon, $300; Manly Cross $480; John G. Wallace, $250.

In addition to the salaries of the keepers the lights cost for maintenance, exclusive of repairs, about $40 per annum each.

The amount of carbide used since the lights are automatic averages about $60 per annum and the power of the light is very materially strengthened.

The salaries of the keepers amounted to $1,280.

The following is a comparative statement of the cost of the lights under the old arrangement and under the new.

Under Old System—

Maintainance 6 lights at $40 each	$ 240
Keepers salaries	1,280
	$1,520

Under Present System—

Maintainance 6 lights at $60 each	$360
Salary of caretaker, Manly Cross	550
Total	$910
Saving in cost per annum	$610

The carbide used for these lights is purchased from the Ottawa Carbide Company at the wholesale price of $65 per ton. This is the price paid by the wholesale dealers in carbide, including the Canadian Pacific Railway, which uses a very much larger quantity than the government.

Mr. TAYLOR. Does the minister include in that comparative statement the cost of the steamer "Scout,' that is scouting around the lakes with a large crew on board ?

Mr. PREFONTAINE. The steamer would have to be maintained all the same to look after the buoy service.

Mr. TAYLOR. The lights were there for many years and we had no steamer to look after them ; nor did we have to maintain a factory and employ about 100 men up there at Prescott in connection with this carbide which is made here at Ottawa by a company in which some of the cabinet ministers are stockholders.

Mr. PREFONTAINE. Well, what if they are ?

Mr. TAYLOR. I may say that this system of lighting with carbide was started simply for the purpose of purchasing carbide from a company in Ottawa, promoted by members of this government. My hon. friend has started a factory at Prescott, having purchased a property there without a vote of this House, that I know of. I never heard of a vote to purchase property there for that purpose, and I knew nothing of the project until I was in Prescott the other day and saw something like one hundred men working there on property purchased at large expense. We have not been asked to purchase the property or told that the government were going to start a factory to make tanks to hold acetylene gas. So far as I know this gas, I would not have it on any property I own. You can hardly read a paper, but you see accounts of explosions of this gas, yet the government, because some of its members are engaged in the manufacture of the carbide, purchase a property, start a factory and employ some one hundred men.

Mr. PREFONTAINE. What does the hon. gentleman mean ? What kind of a factory ?

Mr. TAYLOR. What is my hon. friend doing in Prescott in the Wiser distillery works ?

Mr. PREFONTAINE. Does he mean we are manufacturing carbide at Prescott ?

Mr. TAYLOR. No, manufacturing iron tanks to hold the gas you make from carbide. Am I not correct ?

Mr. PREFONTAINE. Somewhat correct.

Mr. TAYLOR. Where did the minister get the authority to get that property and start this factory ? We have never heard of it in parliament, but there is the factory to-day running and manufacturing these things that might be made at the Kingston locomotive works or the Kingston boiler works. But my hon. friend has purchased a property there and has one hundred men employed, running a manufacturing industry, competing with other Canadian manufacturers.

Mr. PREFONTAINE. The explanation is very simple. $35,000 was voted last year to purchase the Prescott property. I know nothing personally of the property itself. I know that the property was considered good value at $40,000, but we managed to buy it at $26,000, or thereabouts, after the amount had been voted by parliament last year. It was considered to be in the interest of navigation and of aids to navigation to establish a station at that point. I am awfully sorry that we should be called down for having done a thing which is in the interests of navigation on the lakes. If we had thought that we would be reproached for it we would have put the money elsewhere, and then we would not have been accused of having done anything

wrong towards the country. Another time I suppose we will consult the gentlemen who represent the district. We intend to put a station at Parry Sound, but if it is objected to of course we will put it somewhere else, and will have all the supplies necessary for the lights whether acetylene gas or any other gas, kept at a place where no objection will be raised. I am very sorry when we have established such a station at this point for the sake of improving aids to navigation on the upper lakes, and between Montreal and Kingston, that we should have been accused of having done something that is wrong. The whole question came before the House last year and was approved of. The explanations were all given at the time and we went on with the project just as we have been going on with the shipyard at Sorel. We do not find any kick about the shipyard at Sorel. Every one is satisfied in Quebec; they think it is right that it should be established there and worked there, and that it is doing good work. The fact of the matter is that we are being asked every day to have everything done at the yards there. Instead of giving out contracts for the building of ships and boats in private shipyards, we are asked to do it at Sorel where we have the men and facilities necessary to do the work in the interests of the country. If these gentlemen are not satisfied with the establishment of the station at Prescott, I am very sorry. We are not going to abolish the station which has got to work. It is useful and is going to be worked in the best interests of the province of Ontario in spite of the hon. gentlemen on the other side, who do not think this should be done.

Mr. TAYLOR. I would like the hon. gentleman to point to me in the estimates of last year or in the debates of last year, where $35,000 was voted and one word said about purchasing a property at Prescott to start an industry for manufacturing tanks to hold this gas. The first I heard of it was when I was in Prescott and saw the place. I do not represent the town of Prescott or that district, but I do say that this expenditure for lighting the River St. Lawrence under this system, including the cost and maintenance of the crew of the steamer 'Scout,' will be largely in excess of the cost of the other system. Under the old system I could stand at Gananoque, and see the three lights looming well, but under this system they are like little stars.

Mr. PREFONTAINE. There are people who cannot see the light. When it is so bright it blinds them. When you have a five candle power light, they can see it, but when it is a fifteen or twenty power light of course it puts them in the shade and they are nowhere.

Mr. TAYLOR. I do say and will maintain that the government had no right to dismiss the faithful and efficient servants who had been employed there for twenty years, and to throw them on the world giving them two or three months' notice. The government had no right to start this manufacturing industry at Prescott without asking parliament. I never heard in the debate, nor can it be pointed out in the records of last year that it was the intention of parliament to vote this money for the establishment of this factory. I want the minister to point it out. He made the statement that $35,000 was voted last year to purchase this property. Will he point out one word in the estimates or in the debates to show that?

Mr. BENNETT. Was it before the minister came into the department or since, that this purchase of land was made?

Mr. PREFONTAINE. The purchase was made last year after the vote was taken by parliament. I have not the vote before me, but I will have it in a moment. A vote of $180,000 was asked, and this included, I think, the sum of $35,000 to establish a station at Prescott, including the purchase of a property there. The property instead of costing $35,000, has cost only $26,000. At the time we calculated it might cost us $35,000. The price asked was $40,000, so I do not think there is enough in this transaction to kill the government or even a very humble member of the government.

Mr. INGRAM. Was any explanation given to the House last year that $35,000 of this $180,000 was being voted for the purchase of that property?

Mr. PREFONTAINE. I have sent for the statute.

Mr. INGRAM. Under what head will we find that discussed last year?

Mr. BENNETT. Commencing at page P—47 of the Auditor General's Report there is a resume of the expenditure on lights above Montreal. Now the lights on the St. Lawrence are of course counted among those above Montreal and in looking through this I can find no reference to the purchase of this property. Perhaps the minister can tell us where it is.

Mr. PREFONTAINE. On page 31 of the Statutes of 1903. Lighthouse and coast survey.

Further amount for construction and aids to navigation, including the purchase and equipment of boats for sweeping channels . . . and the substitution of compressed gas for oil as illuminant for lighthouses, increasing the power of lights below Montreal and the establishment of a buoy depot for the upper lakes, $180,000.

Mr. BENNETT. Surely the minister does not call this the establishment of a buoy depot where they are manufacturing pipes?

Mr. PREFONTAINE. They are not manufacturing any thing of the sort.

Mr. BENNETT. What is being manufactured at Prescott.

Mr. PREFONTAINE. The are manufacturing gas. Some one the other side said so. They are full of it.

Mr. CASGRAIN. Full of what.

Mr. PREFONTAINE. Gas. What is being made there is everything that is necessary for keeping the lights in operation, repairing the appliances, filling the bouys, &c. That is the work done at this station which before was done, either in private establishments or at Montreal or elsewhere. Instead of that we thought, seeing the increase of necessities for better aids to navigation, that it was better that all these things should be under the control of the department. That is why the station was established. There is no gas manufactured there, there are no holders manufactured there except for repairs that may be necessary in connection with the working of the buoys.

Mr. BENNETT. As I understand the acetylene gas is made in this way : There are certain iron receptacles made for the holding of this carbide.

Mr. PREFONTAINE. They are not made there. At this depot they are doing everything necessary to maintain the lights and the buoys on the upper St. Lawrence.

Mr. BENNETT. In an acetylene gas plant there is an iron receptacle into which this carbide is introduced and the gas is produced by moisture and is then conveyed by pipes and becomes an illuminating power. We know that the carbide is not manufactured there. It is manufactured at two or three different places, at Ottawa and also at St. Catharines, I think the same company is interested in both concerns, and it is quite well known that the Minister of Public Works is a large stockholder in at least one concern. There is no harm in that but it is a well known fact that Hon. Mr. Sutherland is one of the promoters of that industry. The use of acetylene gas is quite popular in Ontario, although in some places it is not popular by reason of the explosions that occur in connection with it. Am I to understand from the minister that in all the lighthouses on the great lakes, the present system of lighting by oil is to be dispensed with and carbide introduced instead ?

Mr. PREFONTAINE. I could not say that off-hand. There are some lights where it is in the interest of the service that acetylene gas should be used, because it gives a much stronger light, and there are other places where the oil lamps will be kept. It is a technical question which comes within the province of the officer in charge of the lights. I may say that almost all of these changes have been asked for by the shipping interests. As regards the acetylene gas, I know nothing particularly as to who manufactures this carbide. I understand there are two companies, one in St. Catharines, controlled entirely by Mr. Willson, and I understand there is another in Ottawa; these two control the market. The factory in Ottawa is controlled by the Messrs, Bronson, of Ottawa, Mr. Cranneil and Mr. Willson and others. I deny that one of the members of the cabinet is a director of the company.

Mr. BENNETT. Is the Mr. Willson, who is interested in the one at St. Catharines, the same Mr. Willson woh is interested in the one at Ottawa ?

Mr. PREFONTAINE. Yes. From information I have received, the company in St. Catharines is not able to furnish the quantity of carbide asked for. Then there remains this company in Ottawa which is selling all the carbide it can produce to the Canadian Pacific Railway, and other concerns, and the price we pay is the same as is paid by these companies, which buy a larger quantity than we do. The department has no interest whatever in favouring any one company or another. If another company would offer the carbide at a lower price, the department would buy from it.

Mr. BENNETT. Do I understand that some of these lighthouse keepers have been dispensed with altogether ?

Mr. PREFONTAINE. Yes.

Mr. BENNETT. Then at the expiration of the time during which the machines are supposed to run, it will be necessary for a man to reload them ?

Mr. PREFONTAINE. No. We have a machine now which is loaded for six months or a year. All that is necessary is that it should be visited now and then to see whether the apparatus is in good order and condition.

Mr. BENNETT. Then, as there is no caretaker in the building, any one evil disposed could obtain entrance and put the whole arrangement out of gear. And if there should be a wreck, there is no lighthouse keeper to assist the stranded vessel. And if anything should go wrong with the machine, there is no one to set it right.

Mr. PREFONTAINE. These changes have been approved by the marine associations and shipping interests all over. I can produce many letters to show that these interests are very grateful to the department for having adopted this means of giving better aid to navigation. I do not claim credit for this new departure. I found the experiments going on, and after

they proved satisfactory, I thought it my duty to continue the system.

Mr. OSLER. How does the hon. gentleman purchase the property at present? What has he paid for it and how did he arrive at a valuation?

Mr. PREFONTAINE. The property was valued at $40,000. We did not disclose who wanted to purchase and the price came down to $35,000. We thought it could be bought cheaper and we employed an agent from the city of Ottawa. The politics of this man I do not know, but I am inclined to think he is a Conservative, and we thought that by employing him we could dispel the suspicion that the government wanted the property. We succeeded in getting the property at $26,500 instead of $35,000 and we paid about $500 commission.

Mr. OSLER. What arrangement has the minister made with the acetylene gas company for the supply of the carbide, and what period does it cover?

Mr. PREFONTAINE. We buy the carbide at $65 a ton, which is the ordinary price paid by the Canadian Pacific Railway.

Mr. OSLER. How long does the agreement last?

Mr. PREFONTAINE. There is no agreement. We buy at the market price.

Mr. OSLER. Then when you have all these arrangements made and are using the acetylene light over your whole system, these gentlemen put up the price.

Mr. PREFONTAINE. The Canadian Pacific Railway would be in the same position.

Mr. OSLER. I venture to say that the Canadian Pacific Railway does not go into any such bargain. When the Canadian Pacific Railway make a bargain, they see that they do not run the risk of being cornered at the end of the year. I do not think it is right for the minister to bring the Canadian Pacific Railway into this discussion. I am not here to defend the Canadian Pacific Railway or to represent that company, but I am here representing the people of Canada and the constituency for which I am elected; and when I ask the hon. minister for information, I have the right to get an answer which does not bring in the Canadian Pacific Railway. I am not objecting to the use of the acetylene gas, because I believe it is a light that is going to stay and I hope it will prove much better than what was heretofore used. But what I say is that the government ought to take precautions against being cornered by the people who control the acetylene gas. The government ought to have some arrangement with these people of a permanent character.

Mr. PREFONTAINE. My department and the government can hardly be blamed if they have acted with as great care as that shown by the large private companies. The Canadian Pacific Railway Company have fitted up cars at very great expense to burn acetylene gas, and fitted them up so that they will not burn anything else. And the company buy their carbide from the Ottawa Carbide Company at the same price that the government pay. I do not know what the arrangement of the Canadian Pacific Railway with the Carbide Company may be, but I know that we buy the carbide on the market. And if the company wants to charge us a higher price we can go elsewhere. I suppose the hon. gentleman (Mr. Osler) is in a position to tell us what the nature of the contract made by the Canadian Pacific Railway with the Ottawa Carbide Company is, and, if he will do so, perhaps we may be able to make the same contract. At present, though we have made no contract, we are buying carbide at the same price as the Canadian Pacific Railway, $65 a ton. Though we have gone to some expense to provide the apparatus to use this gas, we have not spent as much as the Canadian Pacific Railway in fitting up their cars for the same purpose. So, I think I have a right to say that the hon. gentleman (Mr. Osler) has no business to reproach the department for acting as we have done. And even if he tries to divide his responsibility as a director of the Canadian Pacific Railway in making the same kind of a contract that we have made, I think that the people generally will not consider that we have been guilty of a great crime.

Mr. OSLER. I do not seek to divide my responsibility as between the Canadian Pacific Railway and this House. My responsibility as a member of this House is here. I am not here to say whether the Canadian Pacific Railway has made a good or a bad bargain, but I am here to criticise the item under discussion. I say that if the government are going to large expense to change the system of lighting—to which, mind you, I do not object at all—they must keep in view the fact that the carbide, as I understand it, is controlled by one company.

Sir WILLIAM MULOCK. It is manufactured all over the world.

Mr. PREFONTAINE. There is not even a patent on it.

Mr. OSLER. It is practically controlled by one company.

Mr. PREFONTAINE. Will the hon. gentleman (Mr. Osler) says that it cannot be manufactured by anybody who chooses to take up that line of business?

Mr. OSLER. The Standard Oil Company give exactly the same answer as the minister has just given. They say there is no objection to anybody else going into the oil business—that there is no monopoly in the oil business.

Mr. PREFONTAINE. There is a great deal of difference. I do not think the hon. gentleman (Mr. Osler) as a business man can defend his proposition that there is a similarity between the Standard Oil Company and the concerns that produce carbide. The Standard Oil Company have bought all the sources of supply, while the carbide industry is an open one in which any one can engage.

Mr. OSLER. I am very glad to hear the hon. gentleman (Mr. Prefontaine) endorse so completely the statement I made in the House when the Minister of Finance brought in his Standard Oil legislation the other day. I stated, and the minister of Finance contradicted me, that the new oil duties were simply playing into the hands of the Standard Oil Company, because they had or would have control of the output. The Minister of Finance and others on that side said that I was talking nonsense. but now the hon. Minister of Marine and Fisheries tells us that the Standard Oil Company own all the oil in the world, and that there is no analogy between the production of carbide and the production of oil. The Minister of Marine and Fisheries goes further than I did. I said that the Standard Oil Company would ultimately control the supply, but the minister says that they do control it. I am confident that I state a fact when I say that the production of carbide is practically a monopoly. I have no accusation to make against any men who are interested in that manufacture. They have a perfect right to engage in it and to make all the money they can out of it. But the government, in making these expensive changes to adopt the new system of lighting should take into account the fact that the production of carbide is practically a monopoly.

Mr. PREFONTAINE. Would the hon. gentleman allow me to ask him a question ?

Mr. OSLER. Yes.

Mr. PREFONTAINE. If there is a monopoly—though I do not admit it—and if the hon. gentleman has admitted that there is a monopoly in the oil industry——

Mr. OSLER. I did not admit it, but the hon. gentleman (Mr. Prefontaine) stated it.

Mr. PREFONTAINE. But that is the hon. gentleman's (Mr. Osler's) argument. He says that the tariff brought down will not benefit the people, because the Standard Oil Company controls the whole trade and will use these duties for its own purposes. It would appear, then, according to the hon. gentleman's argument that it is simply a question of whether we shall face the difficulty of a monopoly in oil or a monopoly in carbide.

Mr. OSLER. The hon. Minister of Marine and Fisheries is a little mixed, or else I am very dense. I did not say that the Standard Oil Company now had a monopoly. but that it would acquire a monopoly in Canada as it had elsewhere. The minster himself stated absolutely that the Standard Oil Company had a monopoly.

Sir WILLIAM MULOCK. If the hon. gentleman (Mr. Osler) would allow me, I would like to ask him a question. He stated that the manufacture of carbide was a monopoly——

Mr. OSLER. I say that practically carbide is a monopoly.

Sir WILLIAM MULOCK. Will the hon. gentleman explain what he means by that ?

Mr. OSLER. Practically it is in the hands of a very few.

Sir WILLIAM MULOCK. Does the hon. gentleman know the nature of the monopoly of which he speaks ?

Mr. OSLER. It is of the same nature as the Standard Oil Company—the production is in the hands of a few companies.

Sir WILLIAM MULOCK. Is the hon. gentleman quite sure of that ?

Mr. OSLER. I think so, yes.

Sir WILLIAM MULOCK. I think the hon. gentleman is in error. I know nothing about the internal workings, and so may be in error myself. But I have heard the statement made, and I believe it to be correct, that the patentee of the process is a Mr. Willson of this city. I suppose he patented it in various parts of the world. He is not manufacturing I presume all over the world, but like other persons who have inventions, he sells territory, and probably either retains a royalty or gets something for the sale of the territory. That is a different thing from saying that he controls the market price at which it may be sold. Now the information is easily obtainable, I suppose that gentleman lives in this city, and we could ascertain by telephone whether he controls the selling price. If he does not control the selling price, then there is competition. If this carbide is manufactured throughout the world, then there is competition, and if it happened that manufacturers in Canada should seek to impose high prices upon the people of Canada, then this material could be brought in from other parts of the world where it is manufactured. Unless the hon. gentleman says that one man or one syndicate controls the output and regulates the price so that they can put it up or down, his theory of a monopoly amounts to nothing.

Mr. OSLER. I think the hon. gentleman quite understands a monopoly.

Sir WILLIAM MULOCK. I want the hon. gentleman to explain his argument.

Mr. OSLER. I am speaking quite frankly, because I know nothing about the gentlemen interested in this carbide, and have no

interest in it. But if a patent is sold for the manufacture of carbide in Canada, that patent carries with it, as in almost every other case, this right, that if it is manufactured in the United States they cannot come into Canada and sell it here. That is almost the invariable condition of a patent that is sold anywhere. If you sell a patent in Canada for the manufacture of an article and you sell the patent in England for the manufacture of the same article, the first and primary condition is that no goods manufactured in Canada can be sold in England under that patent.

Sir WILLIAM MULOCK. The hon. gentleman will see at once the absurdity of such a statement. He is an inventor, we will suppose, of this particular material, and has sold his patent to manufacture this material in Germany, we will say, and it is sold on the market in Germany. Now, is there any private agreement that one could make with a German manufacturer that would prevent the person who bought this material in Germany from importing it into Canada ?

Mr. OSLER. Certainly there is.

Sir WILLIAM MULOCK. It is absurd to talk so.

Mr. OSLER. The hon. minister does not know the ordinary conditions of trade, and I will illustrate that in a moment.

Sir WILLIAM MULOCK. Will the hon. gentleman say that the goods manufactured in Germany cannot come in here ?

Mr. OSLER. If a man has a patent to manufacture goods in Canada and the same patent is sold in England, the condition of the patent is that the goods made in Canada cannot be sold in England, and the condition in the patent is that English goods shall not be sold in Canada, without any question. Now, let me show how close these trade arrangements are made. Let me give an illustration. If you go to an agent in London of French wines—I make this illustration, because it is something that happened to myself not long ago—you buy from the French house in London so many cases of claret, or whatever it may be, to be sold and sent to Canada at the price there. The house will simply say, when you tell them to send it to you in Canada : We cannot do it, we have an agent in Canada who has the sole control of the right of selling it there. I may buy it in London, true from the agent and ship it myself out here as an individual, but I cannot go into the market there and buy it through an agent to be sent to this country. That is an illustration in a small way, and a patent carries exactly the same conditions, only much more strictly. If a patent for acetylene gas or carbide is sold in Canada and the patent is also sold in England and English goods are sent into Canada, the transaction will be attacked almost at once, and there will be a dispute straight and square between the manufacturer in England and the manufacturer in Canada.

Sir WILLIAM MULOCK. That is a theory.

Mr. OSLER. That is the practice.

Sir WILLIAM MULOCK. We are not dealing in practice, we are dealing in carbides. Take this case. Assume that this patentee has sold his patent in other parts of the world—and I am sure that must be the case, because it is a useful article, and he would protect himself by getting this article patented. I think we may fairly assume that an article of this utility is being manufactured in all the civilized nations of the world, and the product of this patent is on the market. Suppose the hon. gentleman's theory is correct, and that the manufacturers in Canada should seek to put up the price. will he say what is to prevent the Canadian government, if they want to buy ten tons or any other quantity of this stuff, from going to the country where it is sold, say to Germany, and buying it there ? What is to prevent that, if it is for sale there ?

Mr. OSLER. I am not a lawyer, and am not familiar with the Patent Act in theory, but I am familiar with the practice, and I know that the Patent Act protects the manufacturer in every country where that patent is running.

Sir WILLIAM MULOCK. Does the hon. gentleman say there is anything in the patent laws of Canada that will prevent an article that is manufactured under a patent in some foreign country from being sold to a purchaser there and being taken into Canada ? Is there anything in our patent law to that effect ?

Mr. OSLER. If the article is manufactured in England under the patent law and is sent here, at once the manufacturer in England will be notified that he cannot send that article out here. That is always the case, and that practice is enforced as a matter of fact. I am not speaking of the law, but I am saying that, as a matter of fact, that is absolutely the case, the same as the copyright of a book. There is no question about it. If that were not so, what would be the use of selling the patent in England, or Germany, or France ? A patent in England means that the patentee in England who manufactures cannot have the Canadian market ; the patent in France means that the manufacturer in France can have nothing but the French market. However it may be in theory, in practice the patent in a country protects the manufacturer in that country. If that was not the case, what would be the use of our giving patents here to anybody ? It would not be worth while.

Sir WILLIAM MULOCK. The patent might prevent buying and selling in this

country, but this is not a question of importing. I think an article that is sold in Europe, although it may be patented in Canada, could be brought into Canada. If a man chose to buy it in Europe he could bring it into Canada. If he chose to buy an article in a foreign country that is also the subject of a patent in Canada, I do not think there is anything in the customs law that will prevent him bringing that article into Canada.

Mr. OSLER. The hon. gentleman is a lawyer and I am not. Let me put this question to him. This carbide is patenteed in England, it is manufactured in England under the English patent. Can I, as a consumer of carbide, import from England all the carbide I want straight from the manufacturer in England, in defiance of the Canadian patent ? Will the minister answer that question ?

Sir WILLIAM MULOCK. The hon. gentleman was making the statement that there was a monopoly, and I was asking him if he could tell me what the patent law was.

Mr. OSLER. No, I do not know the patent law.

Sir WILLIAM MULOCK. Then he is pretty much in the same position as myself. I would be very much surprised if when an article is manufactured in a foreign country and when a man has bought it and owns it, the patent law would prevent him from bringing it into this country. I could understand the patent law preventing a man from dealing in a patented article. I am merely theorizing the Act before him.

Mr. LAVELL. If the hon. Postmaster General were familiar with the Patent Act he would be aware that it forbids the use of any patented article in this country without the consent of the owner of the patent. If it were not so the patent would be practically useless.

Mr. WRIGHT. I would like to give the committee a little illustration of this matter. The General Electric Company in the United States manufacture electrical goods for which they have the patents in the United States, and for which they have the patents in this country also. They are manufactured here by the Canadian General Electric Company. The Canadian General Electric Company manufacture these goods here and nobody else has the right to manufacture them. I want, for instance, to buy a certain kind of electrical motor that is manufactured by the Canadian General Electric Company. I think they are charging me too much for it. I write to the General Electric Company in the United States and I ask them what they want for a ten horse power electric motor. They write back that they cannot sell one of these motors because they are made in Canada. All I have to do is to write over to my agent on the other side and tell him I want a ten horse power motor manufactured by the General Electric Company in the United States. He gets a price over there writes to me and I tell him to ship the motor at that price. I get the motor and we are doing it every day. The same thing applies to electric lamps and other electrical goods.

Mr. BENNETT. Is it the same company ?

Mr. WRIGHT. Certainly. We get the motor manufactured by the General Electric Company of the United States and we do so notwithstanding the fact that the article is patented and made by the Canadian General Electric Company.

Mr. INGRAM. Suppose they patented that in Canada and the United States and sold the right to manufacture in the United States ; the hon. gentleman gets his agent to send him over one of these articles on which there is a patent here. Does the hon. gentleman mean to say he can bring that article in here ?

Mr. WRIGHT. I am speaking about goods patented here and patented there by the General Electric Company. If I want it I get my agent to get it for me.

Mr. CASGRAIN. I have the Patent Act under my hand. and I will read section 37 :

> Every patent granted, under this Act, shall be subject and be expressed to be subject to the condition that such patent and all the rights and privileges thereby granted shall cease and determine, and that the patent shall be null and void at the end of two years from the date thereof, unless the patentee or his legal representatives, within that period, commence, and, after such commencement, continuously carry on in Canada the construction or manufacture of the invention patented, in such manner that any person desiring to use it may obtain it, or cause it to be made for him, at a reasonable price, at some manufactory or establishment for making or constructing it in Canada—and that such patent shall be void——

This particular section has been amended, but not in the essential parts as regards this discussion.

> —if, after the expiration of twelve months from the granting thereof, the patentee or his legal representatives——

That is the agent which my hon. friend (Mr. Wright) was speaking of.

> —or his assignees for the whole or in part of his interest in the patent imports or causes to be imported into Canada, the invention for which the patent is granted.

That is the law, so that in the case which my hon. friend has just spoken of the patent would be voided.

Mr. WRIGHT. I do not care whether the patent is voided or not, I know we do it every day.

Mr. OSLER. I did not intend to get into any controversy with the hon. Postmaster General because he is a legal man and supposed to be familiar with the patent law, in theory, while I am only speaking of what I know from practice. The production of carbide is more or less of a monopoly. It is patented. The government have decided apparently to change the system of lighting the harbours and on their buoys. Now, do not for a moment think that I am objecting to that, because, as far as I know, acetylene gas has probably come to stay, and it is going to be a very advanced method of lighting as against what we have had. But, I say that before this government go into such an expenditure, before they make such a change, casting aside their old lighting apparatus and adopting a system of lighting which depends upon patents controlled by a small number of people, they ought to have an understanding with the manufacturers of this article that they shall have the right for a certain number of years, and a long number of years, to buy their product at a price not higher than that at which it is sold to anybody else in the market. I understand from the hon minister that no such arrangement has been made.

Mr. PREFONTAINE. We do not intend to make such an arrangement.

Mr. OSLER. I do not wonder at that, I would not expect that the minister would intend to do it. The position we are adopting on this side of the House is that we have the right to criticise the transactions of the hon. minister. I think I am criticising the course of the hon. minister in regard to this matter quite fairly. I am not criticising the action which the hon. minister has taken in changing the system of lighting, because as far as I know, without knowing anything technical or scientific about the question, I understand that the lights are going to be better than the old lights that have been in use before. But, I say that the hon. minister, before he adopts that change, involving a large amount of money and committing the government practically for all time to come, or at all events until a new light is discovered, to the use of this material, the hon. minister should have an agreement with the men who have a monopoly of this material which is necessary to the government for a series of years providing that they will supply this material at as low a price as it is supplied to any person else.

Mr. PREFONTAINE. From the argument of the hon. gentleman I would draw the inference that he is interested in getting us to make a contract at $65 a ton with this company irrespective of whether the price may go down to $50 or $25 a ton within the next year or six months.

Mr. OSLER. I think the last statement I made was that I suggested that the government should at all events make a contract with the company that they should be supplied with this material at the lowest price at which it is supplied in future to other people.

Mr. PREFONTAINE. What do you want better than to buy it at the market price? If these gentlemen in Ottawa are not disposed to sell us carbide at a reasonable price, we can buy it elsewhere.

Mr. OSLER. You cannot buy it elsewhere. Nobody else makes it.

Mr. PREFONTAINE. Why not? It is manufactured elsewhere. The hon. gentleman will try to make this committee believe that the Ottawa Carbide Company are furnishing the whole of the carbide that is used in Canada. Will he contend that for a moment? He cannot contend that. The price at the present moment is $65 a ton. It is bought at that price by the government in small quantities, because the few changes that have been made do not require a very large supply. The Canadian Pacific Railway and all the large companies of Canada are buying at the same price. Why are we to be blamed? Is it because we do not make a contract for five or ten years at $65 a ton?

Mr. OSLER. No.

Mr. PREFONTAINE. Is it because we do not make a contract with them that they will not charge us more? Do you think these people are fools?

Mr. OSLER. No.

Mr. PREFONTAINE. Do you think they would sign any such contract? Of course the hon. gentleman wants to find fault, and I don't blame him; perhaps I would do the same thing if I were in his position. But let us find fault within the bounds of reason, and not in connection with such a matter as this where there is no room for fault finding. We are not bound to buy from that particular company.

Mr. CLANCY. What other companies are manufacturing this article?

Mr. PREFONTAINE. The Willson Carbide Company of St. Catharines, and the Ottawa Carbide Company.

Mr. TAYLOR. The same thing.

Mr. PREFONTAINE. Not quite; one is controlled entirely by Mr. Willson and the other is controlled by the Messrs Bronson.

Mr. TAYLOR. No.

Mr. PREFONTAINE. Yes, I know what I am talking about. There is a company authorized to start at Grand Falls; there is another that will be started at Shawinigan within a few months, and if there is any money in the business I suppose others will be organized. We are not paying an extreme price; the fact is that we are just as businesslike as the Canadian Pacific Railway people.

Mr. OSLER. I resent that assertion on behalf of the Canadian Pacific Railway. The Canadian Pacific Railway would be bankrupt before the end of the year if they were not more businesslike than the minister.

Mr. PREFONTAINE. They are paying the same price as we are, $65 a ton, and they are buying a thousand tons where we buy twenty-five tons.

Mr. LAVELL. Does the minister buy all his carbide at $65 a ton?

Mr. PREFONTAINE. Yes.

Mr. LAVELL. How is it that the Auditor General reports that you pay $20 for 400 pounds? What is the explanation of that?

Mr. PREFONTAINE. I have no answer to give.

Mr. LAVELL. In other words you have given that much boodle.

Mr. PREFONTAINE. Boodle is in the mouth of the one who speaks about it.

Mr. LAVELL. The Auditor General's Report distinctly says that you bought 400 pounds of carbide for $20, and notwithstanding that the minister may throw back abuse, I can tell him that I prefer the Auditor General's record to his. If the Auditor General is right, an explanation is required of the minister.

Sir WILLIAM MULOCK. I have the Patent Act before me now. Clause 44 says:

> The government of Canada may at any time use any patent invention, paying to the patentee such sum as the commissioner reports to be reasonable compensation for the use thereof.

The definition of 'patent invention,' extends not only to the article itself but to the product of the article. It says:

> The expression 'invention' means any new and useful art, machine, manufacture, or composition of matter; or any new and useful improvement in any art, machine, manufacture or composition of matter.

It means not only the design but the product of the design, that if the owner of this patent had a monopoly, the government would have the right to ignore the patent and fix a reasonable price.

Mr. OSLER. I don't think there is any doubt about that. The government have the right to bring in anything free of duty, but that is not what we were talking about.

Sir WILLIAM MULOCK. You were talking about how the government could be cornered. If the owners of this patent should seek an unfair price from the government the government could get its supply elsewhere and the patent does not restrain the government.

Mr. OSLER. We do not suppose that the government would do an injustice to any patentee.

Sir WILLIAM MULOCK. Nor would it do an injustice to the people of Canada.

Mr. OSLER. I do not think you can find one single case where a patent owner in one country would undersell the man who holds the same patent in another country.

Sir WILLIAM MULOCK. The hon. gentleman began his argument by saying that these people had a monopoly, and that they could compel the government to pay more than a reasonable price for the article. That contention could only hold if the Canadian patent prevented the government importing that article or if the patent were binding against the government. The patent law does not bind the government, and the monopoly argument falls to the ground.

Mr. OSLER. I didn't talk about the government. I talked about the general principle.

Sir WILLIAM MULOCK. The hon. gentleman talked about the supplying of carbide to the government.

Mr. OSLER. Quite right; but I didn't suppose the answer would be that the government would take that position.

Some hon. MEMBERS. Oh.

Mr. OSLER. You need not laugh. I was not familiar with the Patent Act, but my statements are absolutely correct; more correct than the minister who answered me, although he is a lawyer I think; I am in the judgment of the House on that point. I say further that if a patent owner in England were asked to sell to the Canadian government to the detriment of the man who owned the patent in Canada, the government would find that there existed a loyalty between the owners of patents in all countries which would prevent the request of the government being acceded to.

Sir WILLIAM MULOCK. The hon. gentleman says there is a monopoly, but the question is whether these lighthouses can be

supplied with carbide without the government being compelled to pay an excessive price.

Mr. OSLER. Quite so.

Sir WILLIAM MULOCK. Well, when the law says that the government may fix the price, how can the government be compelled to pay an excessive price ?

Mr. OSLER. If the government are going to fix the price, they at once interfere with trade. The government have the right, I admit, but I do not think that that is an element which can enter into an argument of this sort. The government have the right to repudiate their indebtedness to their bondholders——

Sir WILLIAM MULOCK. How does the question of repudiation come in here ?

Mr. OSLER. I admit that the government could at once take away the duties and admit the carbide free or give a bonus to an English manufacturer to compete with the Canadian, but allowing all that, I say that if the patent is held in Canada, England, France and Germany, all these companies will stand loyally together and prevent the government from breaking down the Canadian patent by buying cheaper elsewhere.

Sir WILLIAM MULOCK. The hon. gentleman is straining hard for an argument when he advances one of that kind. He talks about repudiation, but if it is expressly stated in the Patent Act that the patent does not bind the Crown, how can there be any repudiation ? Should the owner of the patent endeavour to exact an unfair price, surely there can be nothing dishonourable in the government taking advantage of one of the conditions on which the patent is issued in order to protect the Canadian people.

Mr. INGRAM. The argument, in the first instance, was that if a man held a Canadian patent, you could bring him to terms by importing into Canada the articles for which he holds a patent, but that can only be done under certain conditions. According to section 7 of the amended Act of last session if any holder of a patent who asks an unreasonable sum for the article he has patented, the government may grant a license to another party to manufacture the same article. If I want to buy an article and I can show that the holder of the patent is asking an unreasonable price, I can appeal to the department for a license to enable me to manufacture the article myself. Take the hon. gentleman's own department. A man takes out a patent for a mail bag and lock in Canada and the United States, so long as he sells at a reasonable figure, he is protected, and you cannot import these from the United States in violation of his patent.

Sir WILLIAM MULOCK. Except as against the Crown.

Mr. INGRAM. Against any person so long as he does not charge an unreasonable price.

Mr. LEFURGEY. We have a lighthouse at Summerside harbour, and I would like to know if this acetylene light is to be used there. If so, I would suggest that the substructure of the lighthouse should be repaired before putting in these expensive lights. I called attention a few days ago to this. The department should see that the Summerside lighthouse is put in proper repair and also the breakwater. I noticed the other evening, when the hon. member for West Prince (Mr. Hackett) was asking why the 'Stanley' was taken off the Summerside and Cape Tormentine route, the reply was that the quantity of ice there made it too dangerous to leave the boat on that route. I take issue with the hon. gentleman. Where the hon. minister got his information I do not know, but I can only tell him that the ice, when the 'Stanley' was taken away in December last, was no impediment whatever. The 'Stanley' left on a very fine day. It took five hours to cross, which was an unusually long time with the conditions of the weather and the ice conditions in the harbour. In the meantime, during the whole fine day, with no notice or warning to any of the merchants or shippers of Prince Edward Island, without a word to those shipping their goods from the mainland to Prince Edward Island via Cape Tormentine, the boat left Cape Tormentine in the afternoon for Georgetown. They did not even wire to the shippers at Summerside until after the boat had left. In the meantime, the shippers at Summerside were hauling their freight, grain and products of one kind and another down to Summerside wharf to be shipped. It was not only an insult to the commercial interests of Prince Edward Island, but it was a wholly uncalled for act on the part of the department and their agents and Captain Brown upon whom they were, apparently, depending to take the boat away from Summerside when we had absolutely fine weather and the ice conditions were favourable. Let me tell the committee something about the ice conditions. On the 28th December, 1903, there were six miles of ice, that had caught with the frost of practically the last night or two. In the heaviest part of it this ice was only two inches thick. We know the capacity of the 'Stanley.'

Mr. PREFONTAINE. If the hon. gentleman (Mr. Lefurgey) will allow me, we are not on the item of which he is speaking. I raise the question of order, Mr. Chairman, We are on gas at the present time, while the hon. gentleman is speaking about ice, I think he is out of order.

Mr. LEFURGEY. I gathered from the acrimonious discussion that has gone on

that the whole field of the hon. gentleman's department was open for discussion.

Mr. PREFONTAINE. Not at all.

Mr. LEFURGEY. And we have even gone beyond the department and have been discussing the Patent Law.

Mr. PREFONTAINE. That applied to gas.

Mr. LEFURGEY. Well, I am going to try to get the minister to light these steamers with acetylene. Perhaps it will help to break the ice. This is a matter of interest to the committee and to the minister's department. The discussion of the subject has been opened and I think nothing will be gained by trying to rule me out of order. For, this is a matter that will be discussed.

Mr. PREFONTAINE. I rise to a question of order. If we are here to stay all night, at least we should follow the rules.

Mr. LEFURGEY. I submit that I introduced this subject on the Summerside lighthouse, and I am now moving toward the Cape Tormentine light; and I want to get the track clear of ice. As I said, the steamer passing out from the Summerside lighthouse with only two inches of ice backed up some twenty odd times. She got out of the harbour very easily but took a much longer time than she usually takes. She got down off Cape Tormentine lighthouse in about five hours. As I said, the conditions were as favourable for the boat continuing this service as at any time during the year, and the department are certainly to blame for allowing her to be taken away. Now, I turn to the report of the Minister of Marine and Fisheries and I find here a letter from the deputy minister on the island service. I must say I take issue with the explanations of the Deputy Minister. I think I know as much about the conditions there as the Deputy Minister does, and I submit that the report is, to a large extent not correct, but conveys a wrong impression as to the situation in regard to the winter service. The minister told us last session that he was going down to Prince Edward Island to look over the service, and he did go down.

Mr. PREFONTAINE. I rise to a question of order. The item under discussion is 'salaries and allowances to lighthouse keepers,' and with this the question of the service between Prince Edward Island and the mainland has nothing to do. If we are going to stay all night we will stay all night, but we might as well follow the rules. If the hon. gentleman was not here last night to discuss the question when the item under which it would properly arise was before the committee, he can take some other opportunity to discuss it.

The CHAIRMAN (Mr. Campbell). I think the hon. member (Mr. Lefurgey) is wandering a little from the question before the chair. He is an old member of the House and knows the importance of carrying on the debate in an orderly way. The item before us is salaries and allowances of lighthouse keepers, and, under that item I think he can hardly discuss the question to which he has been referring.

Mr. LEFURGEY. Then, how was the discussion allowed to go on for two hours on acetylene gas and patents? The question I have to bring before the committee is of great importance to the people of my section—of more importance than the subject that the Postmaster General (Sir William Mulock) and some other gentlemen have been discussing for so long, a discussion with absolutely no point or purpose. Now, I have a point and purpose in this, and it is to show up the mismanagement—

The CHAIRMAN (Mr. Campebll). I must call the hon. member (Mr. Lefurgey) to order. I think I can hardly allow this discussion. I must ask him to keep to the question under consideration.

Mr. HACKETT. I understand, Mr. Chairman, that you rule my hon. friend (Mr. Lefurgey) out of order. I beg to move that the committee rise.

Mr. FIELDING. There will be no difficulty in finding ample opportunity to discussing the question to which the hon. gentleman (Mr. Lefurgey) has referred. It is an important question, but it does not happen to be related to the subject before the chair. Hon. members on both sides are interested in seeing that we confine ourselves within a reasonable regard for the rules. This is not a party question at all. We can keep one another here many months if we depart from the rules and allow too wide a range of discussion. I would appeal to my hon. friend (Mr. Hackett) not to insist upon a division upon the question, but to observe the ruling of the chair. Another opportunity will be afforded for discussing the question which has been referred to, the importance of which I recognize.

Mr. LEFURGEY. I am well on with the discussion of the subject now, and I would like to finish what I have to say. I do not intend to occupy more than a few minutes, and I would like to finish and get an explanation from the minister.

The CHAIRMAN (Mr. Campbell). Mr. Hackett moves that the committee rise.

Mr. FIELDING. I hope my hon. friend from Prince will accept the suggestion I offer. The motion is quite in order, of course, but I appeal to the hon. gentleman to assist us in conducting the business of the House and not to ask a division on such

a question as he has raised. The hon. gentleman is an old member of the House and knows that if we do not confine ourselves reasonably to the items before the chair, we shall not be able to have a fair discussion of any question.

Mr. HACKETT. I am anxious to expedite the business of the House and get through the session. But I find an effort being made by the Minister of Marine and Fisheries to shut off my hon. friend from East Prince (Mr. Lefurgey) in the discussion of the subject he has brought before the committee. I would ask, in the interest of all concerned, that the hon. member for East Prince be allowed to make his statement.

The CHAIRMAN (Mr. Campbell). On the very next item we take up 'Agencies, rents and contingencies' it would be perfectly in order for my hon. friend to make the remarks that he was addressing to the House; but on this particular item I do not think he can make them.

Mr. SPROULE. I would suggest to my hon. friend that he withdraw his motion, because we will reach in a little while an item upon which he can make his remarks.

Mr. GAUVREAU. (Translation.) Although I do not often take up the time of this committee, yet I cannot allow this item to pass without calling the attention of the hon. Minister of Marine and Fisheries to the grievances which are complained of by an important class of our people, and I am sure he will hasten to do justice to whom justice is due, as soon as he knows the facts which I am going to state. Last year I brought before the House a copy of the petition signed by the captains of the lightships at Red Island, White Island and Lower Traverse. They get but $2,400 a year for their services. I will read that petition to the committee as it contains the reasons why the application of these men for an increase of salary should be granted. Although I have but the English version with me, I hope I may succeed in reading it well enough to make myself understood :

Quebec, December 2, 1902.

To the Honourable Raymond Préfontaine,
Minister of Marine and Fisheries.
Ottawa.

Honourable sir,—We, the undersigned, keepers of the floating lighthouses at l'Ile Rouge, Ile Blanche and Bas de la Traverse, most humbly request you to take into consideration the fact that we have been obliged to undergo, during the present season, heavy expenses for wages and food for the crews of the vessels under our control ; and that during a full month more than in former seasons.

We commenced, last spring, fifteen days earlier than usual, and this fall we closed fifteen days later. When our salaries were established, they were fixed for seven months of service, and we have always been paid for that lapse of time. This year, the requirements of navigation demanded an additional month of service. We are always ready to do all in our power to be of service to navigation, both early in the spring and late in the fall. To do so it is necessary to keep a complete crew, and a greater amount of provisions, which costs a large amount.

We, therefore, beg of you to allow us an additional month of salary, pro rata, in order to indemnify us for such expenditure and for the services that we rendered. We also desire to draw your attention to the fact that early in the springtime navigation work is cold and hard ; and in the fall it is not only cold and hard but also dangerous. Hoping that you will take our petition into favourable consideration, we have the honour to be your very humble servants.

CAPT. JOHN IRVING,
Keeper of Ile Rouge floating lighthouse.
CAPT. REGIS LEBLANC,
Keeper of Ile Blanche floating lighthouse.
CAPT. ESDRAS LEBEL,
Keeper of Bas de la Traverse floating lighthouse.

(Translation.) Mr. Chairman, the salaries are being increased everywhere on the ground that the cost of living is higher and these men are forced to work one month more without getting more pay. Out of the $2,400 which are granted, the captain must provide for a mate, an engineer, and pay the crew and board them. Just think of the amount remaining to the captain after all those expenses have been paid. I hope the hon. minister will be able to take from these $238,000 the amount required to comply with the request of these three gentlemen, since we want them to remain at work for a longer time in view of improving the navigation in the lower St. Lawrence.

Mr. PREFONTAINE. (Translation.) Of course, I will consider the request made by my hon. friend from Témiscouata (Mr. Gauvreau) if the facts stated by him are true, that is, if these gentlemen are obliged to work fifteen days longer in spring and fifteen days longer in fall, it appears to me that their petition for an increase is only fair and reasonable. Although this estimate does not amount to so large a sum as that of last year, yet I may assure my hon. friend that steps will be taken in order that justice be done to whom justice is due, and I think the men he has mentioned are entitled to that, if he has stated the facts correctly.

Mr. CASGRAIN. Does this apply only to these three men mentioned by the hon. member for Témiscouata (Mr. Gauvreau) ? I think the same principle should apply to all those who, under the new regulations, have to be in the lighthouses 15 days earlier in the spring and 15 days later in the fall.

Mr. PREFONTAINE. (Translation.) It goes without saying that the same principle must be applied everywhere. It is but reasonable that he who is bound to work

for a longer time whether it be at Kamouraska or at Témiscouata, should get more pay. The principle is fair and resonable in every case. If you force an employee to work during a longer time than he was obliged to when he took service, I think it but fair that you should pay him more on account of those additional services.

Mr. CASGRAIN. I think the hon. gentleman is perfectly right. But under the circumstances he should increase this vote of $238,000. He will never be able to pay the same salaries he is paying now, and he will never be able to increase the salaries, as he says he contemplates doing, unless he increases this vote.

Mr. PREFONTAINE. (Translation.) Before the supplementary estimates for next year are brought down I will have time to consider this question, and I say again that I will endeavour to do justice to whom justice is due.

Mr. GAUVREAU. (Translation.) I was just going to ask the hon. minister if he could not have the necessary amount voted in the supplementary estimates.

Mr. INGRAM. I understood the minister to say that he had dispensed with several light keepers on adopting the new system. How many did he dispense with ?

Mr. PREFONTAINE. I read the statement about an hour ago and will read it again if the hon. gentleman desires. We dispensed with four.

Mr. INGRAM. So all the change the hon. gentleman has made amounts to dispensing with the services of four light keepers.

Mr. PREFONTAINE. So far.

Mr. INGRAM. These are marvellous changes.

Mr. PREFONTAINE. There are other marvellous changes.

Mr. BLAIN. The minister stated that when this new system was introduced there would be a great saving in maintenance of the lights, he said there would be a saving of $10,500 a year. Does he expect that saving to take place in the near future ?

Mr. PREFONTAINE. I stated that the saving for the present would be $1,610 a year.

Mr. BLAIN. I will read what the hon. gentleman said last year when he was giving to the committee the reasons for changing the old system of lighting to the new system :

> The ten new ranges of gas lights will require no keepers, saving an annual charge of $3,000, and the proposed conversion of the lights from an oil to a gas basis will enable the keepers to be dispensed with as opportunity offers, at a saving of $7,000 per year, or a total saving in cost of maintenance of $10,500 per year.

What has the hon. gentleman to say to that ?

Mr. PREFONTAINE. Last year I spoke of the installation of the new lights according to a new system. Of course that cannot all be done in one year. We cannot get the apparatus as fast as we would like to make the change. Last year we could only make the change in respect to four lights. We could not go faster profitably, but some hon. gentlemen opposite think we have gone too fast. We think we have been acting in the best interests of the department. Of course there are other lights besides these four where the new system will be installed.

Mr. BLAIN. In what places are the lights now in operation ?

Mr. PREFONTAINE. For the present we have only made these four changes, which are on the upper lakes.

Mr. BLAIN. There was a statement made some two or three years ago, perhaps not by the hon. gentleman, but by his predecessor that there would be some changes in respect to the insurance rates on the St. Lawrence route when this new system was installed. Can the hon. gentleman make a statement in regard to that matter ?

Mr. PREFONTAINE. I think I gave some information in regard to this question at the beginning of the session when I stated that I had been informed by the president of the Canadian Pacific Railway Company that they had obtained for their boats a special reduction in the insurance rates. I am sorry that I cannot boast, and I think every business man in this country will share my regret, that we have not yet obtained a general reduction. It is a matter which takes a long time to settle but I think that everybody should join hands in trying to better the conditions of the St. Lawrence route. We have been trying to do that and I do not think that any fault can be found with what has been done, at least since I have been at the head of the department. I have put myself at the disposal of the shipping interests, and of the Boards of Trade of different places and I have tried to carry out their recommendations. It will take some time yet but when we have carried out all the improvements and alterations that are contemplated, if we do not obtain from the British insurance companies a reduction in rates, it will be time for us to make a move so as to force the insurance companies to recognize the sacrifices that have been made by the Canadian government in order to improve the route. I think that at the present moment I can boast of the fact that we have not been reproached by any Board of Trade or any shipping federation that we have not tried to do what was best to improve the route of the St. Lawrence. Any suggestion that hon. gentlemen are disposed to give the department

will certainly be received with the greatest consideration and we will try to do the best under the circumstances.

Mr. OSLER. In reference to the remarks which the hon. minister has just made as to insurance rates, I quite agree with him that nothing can be done except on business principles. I am not sure that I can agree with him that all that can be done has been done because I think that the improvement of the St. Lawrence, the proper lighting and development of the route, is of far greater importance to Canada than any transcontinental railway or any other work that is contemplated or suggested, and I do not think that the government are devoting half enough of their energy to the development of that route. This is the one way of spending money that will receive the endorsement of every man in Canada. Going back to our discussion in regard to acetylene gas I would like to ask the hon. minister who is the officer in charge of the work of replacing the old lighting with the new lights and under what recommendation the hon. minister is acting.

Mr. PREFONTAINE. The engineers and staff of the department.

Mr. OSLER. Who is the head man ?

Mr. PREFONTAINE. The chief engineer of the department is Col. Anderson, but since last winter I have thought proper to organize a special lighthouse board composed of a number of my officials with power to call in representatives of the marine interests. When a question which interests one section of the country is to be considered these outside gentlemen will be called in. At the same time I thought it proper to appoint a special officer as lighthouse commissioner, Mr. J. F. Fraser who was employed in the department before I took charge of it. This gentleman was acting under the supervision and control of the head of the department. He has certain special duties to perform while at the same time the chief engineer remains with certain duties to perform. We felt in doing so that we were serving the interests of navigation and transportation and that we were trying to satisfy the general public interest especially in navigation because representatives of these interests would have an opportunity to be heard before this board, to make their representations and to present arguments. This board was instituted about five months ago. As far as I can learn from people interested in navigation it has given entire satisfaction. Questions that have been pending as regards the establishment of lights at certain points and about which there have been differences of opinion have been decided, and decided favourably to the interests of navigation. I think in acting in that way we have done what is best in the interest of the country.

Mr. OSLER. Has the hon. gentleman a report from the gentleman he named, Col. Anderson, in reference to this change from the old method to the new ?

Mr. PREFONTAINE. I do not know what the gist of the hon. gentleman's question is.

Mr. OSLER. The hon. minister says that Col. Anderson is in charge of the work connected with this proposed change of lighting from the old system to the new and I want to know if he has a report from that officer.

Mr. PREFONTAINE. There is no proposed change. The change was made four or five months ago and Col. Anderson is a member of the board. He has never refused to act on the board and I do not know that he has offered any objection to the decisions or deliberations of the board.

Mr. OSLER. That is not the question I asked. I asked whether there was a report from this gentleman to the department in any shape or form in connection with the change of lighting.

Mr. PREFONTAINE. None whatever.

Mr. OSLER. No report, confidential or otherwise ?

Mr. PREFONTAINE. None whatever.

Mr. OSLER. May I ask the hon. minister who Mr. Fraser is, when he was appointed to the department and if he had been formerly in any shape or way connected with an acetylene gas company ?

Mr. PREFONTAINE. M. J. F. Fraser was appointed in 1893. He is a graduate of the Royal Military College and he was employed in the department on the staff of the chief engineer. He was considered the most suitable person to occupy that position of lighthouse commissioner.

Mr. OSLER. He has been in the employ of the government ever since ?

Mr. PREFONTAINE. Since 1893.

Mr. HACKETT. Did you declare that item carried, Mr. Chairman, when I had a motion before the chair that the committee rise ?

The CHAIRMAN (Mr. Campbell). I understood the hon. member had withdrawn the motion.

Mr. HACKETT. I did not withdraw. I am required to give a reason why this committee should rise, and my reason is that my hon. friend from East Prince (Mr. Lefurgey) was endeavouring to show that the terms of confederation with Prince Edward Island have not been carried out, and he was refused a hearing by the Minister of Marine and the Minister of Finance, and in justice to the hon. member (Mr. Lefurgey) I make this motion in order that he may be heard.

Mr. FIELDING. The statement that the hon. member (Mr. Lefurgey) was refused a

hearing by the Minister of Finance is erroneous. All I suggested was that the hon. gentleman should wait until the question was properly before the House. I quite agree that the question is an important one, but even important questions have their proper place.

Mr. LEFURGEY. The hon. gentleman for West Prince (Mr. Hackett) has given the House just cause why this question should be discussed at the present time.

The CHAIRMAN (Mr. Campbell). On a motion that the committee rise, you can only discuss the question as to why the committee should rise, and it is not proper to discuss a question relating to transportation in Prince Edward Island.

Mr. LEFURGEY. That is just exactly what I am going to do. The chairman must know that the government has not carried out the terms of confederation with Prince Edward Island, and that is the question which I am discussing at present.

The CHAIRMAN (Mr. Campbell). I am quite sure that the hon. member wishes to facilitate the business of the House, and I would point out to him that on the very next item he can discuss this question.

Mr. LEFURGEY. The reason why the committee should rise is that the government are not carrying out the terms of confederation with Prince Edward Island. We are not satisfied with the efforts nor with the bona fides of the Department of Marine and Fisheries, and we say that justice is not done to Prince Edward Island.

Mr. PREFONTAINE. I call the hon. gentleman to order. We are now considering the vote for salaries and allowances to lighthouse keepers.

Mr. HACKETT. The motion is that the committee shall rise——

Some hon. MEMBERS. Question.

Mr. CASGRAIN. I wish to speak on this question of order which has been raised by the Minister of Marine. If this kind of thing goes on any longer my hon. friend will not get very far in his estimates.

Some hon. MEMBERS. Oh ; bluff.

Mr. CASGRAIN. I say that on a motion that the committee rise, report progress and ask leave to sit again, hon. members can not only discuss the question as to why the committee should rise, but they can go on with the discussion as on a motion to adjourn the House. I tell my hon. friends on the other side that they will not advance their business by trying to cry us down.

Mr. PREFONTAINE. What difference does it make anyway ?

Some hon. MEMBERS. Question.

Mr. CASGRAIN. I am speaking to the question, and so long as my hon. friends go on in that way the business of the House will not be advanced.

Mr. DEPUTY SPEAKER. The hon. gentleman is not justified in using the threat that such and such will take place.

Mr. CASGRAIN. I am not using any threat, but I am asking you, as chairman, to maintain order ; and I say that those gentlemen who are trying to cry me down are not in order. It is your duty to ask them to keep order, and not to call me to order.

Mr. DEPUTY SPEAKER. I beg the hon. gentleman's pardon if I have done anything wrong. When an hon. member is interrupted, he himself has the right to complain, but as some hon. gentlemen like to be interrupted, if the Speaker interferes——

Mr. CASGRAIN. How is it you interfered and called me to order when no hon. member complained ?

Some hon. MEMBERS. Order.

Mr. DEPUTY SPEAKER. I want the hon. gentleman to understand that no hon. gentleman has the right to throw out the threat that such and such a thing will take place unless he has his way. That is a well known rule.

Mr. SPROULE. I rise to speak on the point of order. The hon. gentleman (Mr. Lefurgey) was giving reasons why the committee should rise, and he associated with those reasons the urgent demands of Prince Edward Island, and he can talk to the committee until to-morrow morning if he likes and be quite within the rules of the House.

Some hon. MEMBERS. Go on.

Mr. SPROULE. So long as the hon. gentleman keeps within the rules of debate and the rules of the House, he can talk as long as he likes on that question.

Mr. DEPUTY SPEAKER. Will the hon. gentleman please tell me what the point of order is ? It was raised before I came in.

Mr. SPROULE. The point of order, as I understand it, is as to what the hon. gentleman had a right to talk to on the motion that the committee rise.

Mr. FIELDING. Surely my hon. friend from Grey (Mr. Sproule), on a moment's reflection, will not take the ground he practically does—that on a motion that the committee rise an hon. member may talk on any subject under heaven.

Mr. SPROULE. I made no such statement, and I want to tell the hon. Minister of Finance that there is not a man with a spark of manhood in him would misrepresent me as he has done.

Some hon. MEMBERS. Oh, oh.

Mr. SPROULE. He knows I made no such statement. I said he could talk on

the subject before the House, the motion that was made before the House, and give any reasons that he desired to give to the House ; not that he could talk on any subject but talk on that one subject.

Mr. FIELDING. The point which we raise is that the hon. member in making the motion must confine himself to reasons connected with the subject under consideration.

Mr. SPROULE. That is what I said.

Mr. FIELDING. No, he said the hon. member was quite at liberty to introduce other matters and give any reasons he pleased.

Mr. SPROULE. I deny it, and the minister has no right to state it.

Mr. FIELDING. Just at present I have the right to be on the floor ; my hon. friend has not.

Mr. SPROULE. He has not the right to misrepresent me.

Mr. FIELDING. The hon. gentleman must withdraw that remark, that I misrepresented him ; that is not parliamentary.

Mr. SPROULE. I say deliberately, if you make that statement, you misrepresent me, and I repeat it.

Mr. FIELDING. I do not want any words about it, but if my hon. friend wants to quarrel I demand that he withdraw these words.

Mr. SPROULE. I shall not.

Mr. FIELDING. Mr. Chairman, this hon. gentleman—I regret it because he and I have generally got on very well—I want to ask if he adheres to the statement that I deliberately misrepresented him.

Mr. SPROULE. I did not say deliberately. I said he had not the right to misrepresent me.

Mr. FIELDING. The hon. gentleman inserted the word deliberately.

Some hon. MEMBERS. Yes, he did.

Mr. FIELDING. 'Hansard' will show the hon. gentleman used the word deliberately.

Mr. SPROULE. No, I said, 'I say deliberately that the hon. gentleman misrepresented me,' and I meant it.

Mr. FIELDING. I am not going to quarrel with my hon. friend on that but I have raised a point of order.

Mr. DEPUTY SPEAKER. An hon. member has not the right to say that another hon. member has deliberately misrepresented him.

Mr. SPROULE. If you were listening to me you must understand that I did not say that.

Mr. FIELDING. The point on which I want a ruling is whether an hon. member on making a motion to rise, should confine himself to reasons connected with the subject before the House, or whether he is at liberty to introduce new matter.

Mr. CASGRAIN. I am reading now from Bourinot, page 523 :

> It is not regular to move an adjournment of the debate on a question or an adjournment of the sittings of the committee to a future time ; but certain motions may be made with the same effect. If it is proposed to defer the discussion of a Bill or resolution, the motion may be made—'That the chairman do report progress and ask leave to sit again' ; and if this motion (which is equivalent to a motion for the adjournment of the debate) be agreed to, the committee rises at once, and the chairman reports accordingly.

I call your attention to the statement which is made here in Bourinot that the motion that the Chairman of the committee report progress and ask the committee to sit again is equivalent to a motion for the adjournment of the debate. Now there is no ruling better known than that on a motion for the adjournment of a debate, the House is not at all limited to the question which is then being discussed by the House, because then there would be no cause to make a motion for the adjournment of the debate. When the motion that the committee rise, is made, I take it that you can then discuss what you could discuss on the motion that the debate be adjourned. The motion that the debate be adjourned is made in order that a member may bring in another subject than the subject which is being debated when the motion is made. My hon. friend says : 'For one reason or another I was not able to discuss the question which came up yesterday and which is not now before the House. However I move that the committee do rise now, and report progress and ask leave to sit again. For what reason ? In order that I may be able to discuss this question which was discussed yesterday ; not to discuss the particular question in debate when this motion was made.' If my hon. friend will say to the House that the reason for which he makes this motion is to discuss the most important question which he is about to discuss he will be perfectly in order. He has brought before the House an important question and the reason for which he asked that the committee rise, was because he wants to discuss that question. It seems to me that if you only give me one of your ears, Mr. Chairman, I will be able to convince you that the Finance Minister is not quite right and that Bourinot is against him on this point.

Mr. FIELDING. If Bourinot is against me, my hon. friend (Mr. Casgrain) has neglected to point out the passage. He has quoted nothing against me. I accept my hon. friend's own statement that the hon. gentleman moves that the committee rise in order that he may have an opportunity of discussing a question which was properly before the committee yesterday. In that view members could constantly be taking up matters already dealt with, and my hon. friend (Mr. Casgrain) is too good a constitutional lawyer to believe anything of the sort.

Mr. INGRAM. I understood my hon. friend to advise him to withdraw the motion although it was perfectly in order.

Mr. FIELDING. I quite admit that the motion is in order, but I do not admit that another hon. gentleman had the right to make a speech on another subject in connection with the motion.

Mr. TAYLOR. I do not see that we are saving much time. The hon. member from Prince Edward Island said it would take him only about ten minutes to conclude and then we could proceed with the next item. Let him conclude and then let us proceed. I think it will be better in the interests of peace, harmony and good-will to allow the hon. gentleman to proceed and have his remarks all together.

Mr. PREFONTAINE. To have peace and harmony we had better follow the rules.

Mr. DEPUTY SPEAKER. We must bear in mind one or two points in considering this matter. There are two motions which can be made while in committee terminating the sitting of the committee. One is that I do leave the chair. That is equivalent to the adjournment of the House. There is another motion which is that the committee rise, report progress, and ask leave to sit again. That is equivalent to the adjournment of the debate in the House. Now understanding these two points, let me read Bourinot :

> Nor is it in order under cover of a motion for adjournment—to put a question which the Speaker has declared irregular, or when there is a question before the House and a member moves the adjournment, he must confine himself to the question.

That is my decision.

Mr. CASGRAIN. What question ?

Mr. CHAIRMAN. The question before the House.

Mr. LEFURGEY. The question before the House, is the reason why I moved the committee rise.

Mr. DEPUTY SPEAKER. It is a question very frequently put when it is meant that the chairman leave the chair it is put in this way : that the committee rise. But that is not a proper form. If you stop at 'the committee rise' it is equivalent to the chairman leaving the chair. The other motion, which is equivalent to the adjournment of the debate in the House, is that the committee rise, report progress and ask leave to sit again. That is an adjournment of the day's work. The motion that I leave the chair is equivalent to a motion of adjournment in the House.

Mr. HACKETT. Do I understand by your ruling that I am out of order ?

Mr. DEPUTY SPEAKER. The question before the House is that I do leave the chair.

Mr. LEFURGEY. I would like to have a few words to say on that matter. I was talking a few minutes ago about a very important matter, and as the House is in possession of some of the facts regarding the conduct of the service between Prince Edward Island and the mainland, I would like to call the attention——

Some hon. MEMBERS. Order.

Mr. DEPUTY SPEAKER. Would the hon. member be good enough to submit to the decision of the Chair or appeal against it ? The Chair has decided that he cannot discuss any other question but the one he raised at the particular time when he raised it.

Mr. LEFURGEY. Am I to understand that after the motion that the committee rise and the statement of the hon. member for West Prince that it rises for a particular purpose to discuss a very important matter we cannot discuss that matter ?

Mr. DEPUTY SPEAKER. You cannot introduce a new question.

Mr. LEFURGEY. I submit that this is not a new question.

Some hon. MEMBERS. Order.

Mr. LEFURGEY. We will then talk on acetylene gas. I submit that the lighthouse in Summerside harbour should be supplied with this light and that the minister should instruct his deputy to pay more attention to the general repairs and conduct of the lighthouse service around Prince Edward Island. The largest portion of the traffic of Prince Edward Island comes in and goes out of the harbour at Summerside, and we trust that a winter mail service will be established at that point and carried on without the humbugging which characterized it during the past winter. I would like to impress upon the minister the necessity of having an arrangement concluded before next winter comes on, so that the boats will be in possession of every facility for the resumption of this service.

Motion negatived

Mr. WILSON. I brought up last week the question of buoying the Napanee river and was promised the information I asked for. I did not get it until after the House took recess at six o'clock, but I find that the fault is not with the contractor. When I was at home a few days ago, he pointed out to me the difficulty. He had a letter from the department dated the 17th of April, 1903, authorizing him to go on putting out the buoys in the season of 1903 and informing him that a contract would be sent for him to sign. He went on and did the work as instructed. On the 1st of July a contract was sent to him to be signed for a year, and he signed it believing that the department would do as it had done hitherto, and consider that when he put out the buoys in the spring and looked after them during the summer and took them in again in the fall, his years' work would be done. It appears however that the department want to hold him until the 1st of June of this year and instructed him to put out the buoys again this spring. He got a lawyer to write to the department but could not find out whether the department would pay him for the extra work of putting out the buoys this spring. He therefore refused to put them out and the department have called for tenders. It seems to me that the department is to blame. They had a servant who was faithfully discharging his duty and was not getting too much for the work he did and they should have continued him in that service.

Mr. PREFONTAINE. The difficulty seems to me to be that the contractor is disappointed because we have not given him the job. He got a contract for one year and fulfilled it, and now he wants it for three years more. The department decided to call for tenders. What objection has this man to tendering again ?

Mr. WILSON. The difficulty is that the department want to hold him for a year from the time he signed the contract although he had done his year's work. Here is a letter written by Mr. Herrington to the department, dated May 23rd :

Dear Sir,—I handed your letter of the 19th instant to Mr. Mowers, and while your intention may be clear, yet your letter is capable of two constructions.

Mr. Mowers had earned one year's salary by putting out the buoys last year and taking them in again in the fall.

It is true that his contract was dated the 1st June, but it really should have been dated the 18th or 19th of April, as he did immediately upon the receipt of your letter of the 17th April, 1903, go to work and prepare and put out the buoys, whereas the contract in which this very work was done is dated the 1st June.

It is better to have a clear understanding in the beginning. He is prepared to go on and prepare the buoys and put them out this season, but he would require some assurance that he will receive pay for this year's work.

If the 'Scout' takes over his contract and takes them up next fall, what pay is he to receive for putting them out this spring, as his work of preparing and putting them out is fully five times as serious as the matter of taking them in ? Mr. Mowers is not at all disposed to cavil over the matter, but as it was a mistake that the contract was ever dated the 1st June instead of the 18th or 19th of April, you can readily see that it is of the first importance to him that you and he should understand one another.

We presume that you do not contend that the pay he has already received is to cover the work you are now asking him to do.

If you will make this clear in a telegram to Mr. Mowers or to myself the work will be proceeded with.

It does seem to me that that is a very plain statement. All the minister or his deputy needed to do was to write a letter or send a telegram saying that Mr. Mowers would be paid. They write a letter and say that he will be paid, but call attention to the fact that the contract was for a year and the year was not up. So, he said : I will not do the work because I do not believe they will pay me. And what is the result ? Up to this hour the river is not buoyed. Is that the way the public service is to be neglected ? And all because the hon. minister or his deputy would not write a letter saying that a man who did certain work would be paid for doing it. I think the minister ought to tell us the reason why he did not write such a letter.

Mr. PREFONTAINE. I have explained the matter already a couple of times. And further discussion seems to me a loss of time. Mr. Mowers had a contract for a year to put out the buoys, and this contract expired on 1st of June. According to our interpretation of the contract, it was his duty to put out the buoys this season. He refused to do so and wanted a contract for three years. We would not consent, but have now decided to call for tenders. We did call for tenders and they will be in in a few days. Mr. Mowers is free to tender like the others. Because we would not consent to give him a contract for three years —blame is sought to be attached to us for his neglect to carry out his contract.

Mr. WILSON. I wonder if the minister is more used to holding people up than to being held up. Here is the letter I referred to :

Ottawa, April 17th, 1903.

Sir,—I have to inform you that the department will enter into a contract with you for one year for maintaining the buoy service on the Napanee river for the sum of $60 per annum, the amount paid you formerly for this service.

I have to request you to forward the name of two sureties and a contract will be made out and sent you for signature. In the mean-

time you may have the buoys prepared and placed in position as soon as possible.

That is signed by the deputy minister. It does seem to me that when he put out the buoys in the spring, and took care of them in the summer and took them in in the fall he had honestly performed his contract.

Mr. PREFONTAINE. If the hon. gentleman's friend is not satisfied, let him give it up or tender with the others.

Mr. WILSON. I am not dealing with this as a question in which one person is interested. It is a question of the public service and the rights of the people in that section. The river is not buoyed as it ought to be.

Mr. PREFONTAINE. The water is higher than it ever was, and nobody is suffering.

Mr. WILSON. I would like to know if a vessel is not as likely to go aground in a narrow river when the water is high as when it is low. The water covers the marshes and shallows, and, unless the person in charge of the vessel knows the channel well I believe he is even more likely to run his boat aground when the water is high than when the water is low.

Mr. PREFONTAINE. Have there been any accidents ?

Mr. WILSON. I do not know, but the minister is not to get credit if there have not been.

Mr. PREFONTAINE. The reports from my department show that there is no danger at the present time.

Mr. WILSON. Then, why buoy the river if there is no danger ?

Mr. PREFONTAINE. It will be buoyed in good time.

Mr. INGRAM. Under a contract for one year has the contractor to put the buoys out twice and take them in once ?

Mr. PREFONTAINE. That is the interpretation we put on this contract—having a contract expiring 1st of June he had to do the work twice.

Mr. INGRAM. Then, this is simply a misunderstanding with the holder of the contract.

Mr. PREFONTAINE. That is exactly what I say. There is a misunderstanding on a question of $60. Why should the hon. gentleman raise such a cry and spend so much of the time of the House discussing such a question when this man has the privilege of tendering again ?

Mr. INGRAM. There is a very serious side to this question. If a man puts out the buoys in the spring and takes them in at the close of navigation he would perform one year's service.

Mr. PREFONTAINE. We do not read it that way.

Mr. INGRAM. Surely there can be no question about it. The minister is taking advantage of mere technicality in the contract. The man says he is willing to put out the buoys a second time if he is paid, and surely he is entitled to be paid for the work he does.

Mr. PREFONTAINE. Why did he not put them out in the spring like an honest man ? He would then have been entitled to $30, according to the hon. gentleman. But he did not do it ; he wanted to hold us up.

Mr. INGRAM. No, he was willing to put out the buoys a second time if the department would pay him.

Mr. PREFONTAINE. Where do you find that ?

Mr. INGRAM. In the statement of the deputy which I have here :

I have to acknowledge the receipt of your letter of 13th instant in which you state that Mr. Blakely Mowers expects to be paid for placing the buoys next spring.

That is the statement of the hon. gentleman's own department.

Mr. PREFONTAINE. Go on. Read.

Mr. INGRAM (reading)——

It is not at all the intention of the department to ask Mr. Mowers to put out the buoys without paying him for them this year.

Mr. PREFONTAINE. Go on. Read.

Mr. INGRAM (reading)——

He entered into a contract nearly a year ago and it will terminate in June.

'It will terminate in June.'

Mr. PREFONTAINE. Go on. Read.

Mr. INGRAM (reading)——

The department has placed on the St. Lawrence river the steamer 'Scout' and many changes have been made in the buoy service with the intention of performing the work with the department's steamer. It is expected to take over the work that is now under Mr. Mower's contract and have it done by the steamer 'Scout.'

Mr. PREFONTAINE. Go on.

Mr. INGRAM. That is the end. This gentleman, in fulfilment of his contract, put out the buoys and afterwards took them in.

Mr. PREFONTAINE. He has been paid.

Mr. INGRAM. He has done a season's work, has he not ? The department says his contract does not finish until 1st of June and he must put out the buoys a second time.

Mr. PREFONTAINE. But he did not put them out. What complaint does he make ?

Mr. INGRAM. Here he is told that the work was to be taken over and done by

the steamer 'Scout.' Why not pay the man for putting out the buoys a second time ?

Mr. PREFONTAINE. Because he did not put them out a second time.

Mr. INGRAM. Because you refused to pay him.

Mr LANCASTER. This man seems to have met with bad treatment. The minister asks what complaint he makes. Does the minister think he is bound to do a year and a half's work for a year's pay ?

Mr. PREFONTAINE. No.

Mr. LANCASTER. I listened carefully to the discussion, and I think I am right in saying that that is in effect what the department demanded. It seems that he put out the buoys and afterwards took them in and has been paid for a year's work. The department ought to be ashamed of trying to enforce this contract merely because it was dated on the 1st of June. I think this man was clearly entitled to be paid for his extra work, and the department ought to be ashamed, if it is possible for them to be ashamed of anything, for refusing to say they would pay him if he did it.

Mr. OSLER. The action of the minister in this matter I think deserves all the censure he is getting. But that is not the most important question. The minister apparently does not realize the fact that the government has undertaken the public duty of buoying this river. They have always done it at a certain date of the year, and the minister asks whether any accident has happened because that was not done. Suppose no buoys had been put on the St. Lawrence, and the government had saved $800 or $8,000 in consequence, and no accident had happened, would that be any excuse for the minister not having put in the buoys at the proper time ? The charge is serious enough for this individual, but much more serious for the minister himself, in having allowed the river to remain unbuoyed to this late date of the season, and the boats to run the risk of accident.

Mr. INGRAM. I thought this contract commenced the 1st of June. I had not read the correspondence then, but here is what I find in this correspondence between Mr. Herrington and the department.

> It is true that this contract was dated the 1st of June, but it really should have been dated the 18th or the 19th of April, as he did immediately upon the receipt of your letter of the 17th April, 1903, go to work and prepare and put out the buoys, whereas the contract in which this very work was done is dated the 1st of June.

This man started in April to put out these buoys and he took them in in the fall. He performed his work according to the true meaning and intent of that contract, even though it was dated the 1st of June. Yet what follows ? He says :

> It is better to have a clear understanding in the beginning. He is prepared to go and prepare the buoys and put them out this season, but he would require some assurance that he will receive the pay for this year's work.

Now is there anything unreasonable about that ? There is no hon. gentleman in this House but would have taken the same reasonable understanding of this matter, and on that understanding he would have put in the buoys. It is the smallest transaction that ever I heard of in this House ; for a minister, occupying the important position of Minister of Marine and Fisheries, to try and hedge in this miserable, contemptible manner in a little thing of this kind. Why, I am surprised at the hon. gentleman. This man acted in a business-like and reasonable way. The amount in question is a very small one, and that makes the transaction the more contemptible on the part of the minister. I never heard anything like it before, and if the hon. gentleman says that he is going to conduct his department in this way I am prepared to tell him that for a man of his size he has a mighty hard row to hoe.

Mr. PREFONTAINE. My size is just as big as the hon. gentleman's.

Mr. INGRAM. I can tell the minister that he cannot bluff us. We have read about the hon. gentleman, and I can tell him that if he is going to indulge in crooked transactions of this character he is guilty of undignified conduct, and there is no language by which we can characterize it in terms of sufficient contempt. Then the hon. gentleman says : Why, there has been no accident. Suppose accidents had occurred, he would have been responsible for them. Can it be that this hon. gentleman has such an exalted idea of his business ability that he can permit himself to resort to miserable, contemptible tactics of this kind. If that is the hon. gentleman's estimate of the proper way of conducting his department, I can assure him he will not succeed very well. Before I had read this correspondence I thought the hon. gentleman must have had some reason, some excuse for refusing to pay this man, but since I have read it I am bound to say that he has no excuse.

Mr. PREFONTAINE. I may tell the hon. gentleman at once that his contempt does not reach the ankle of my foot. All I have to say about this matter is this : Mr. Mowers got a contract for putting buoys in the Napanee river.

Mr. SPROULE. When did the year commence ?

Mr. PREFONTAINE. It commenced on June 1, 1903. I am ready to take the interpretation of the hon. gentleman of the mean-

ing of that contract. He got a contract for putting out the buoys for one year. Am I right in understanding that the interpretation put upon the contract by the hon. member for Lennox (Mr. Wilson) is that it expired at the time the buoys were taken in? Is that the hon. gentleman's interpretation?

Mr. WILSON. Yes.

Mr. PREFONTAINE. He says it was for $60 a year. If it is $60 a year, and the year expired when the buoys were taken in in the fall, it follows that his contract expired in the fall. Now is that the interpretation of the contract made by the hon. gentleman?

Mr. WILSON. I will tell you when you get through.

Mr. PREFONTAINE. Then I conclude that is the interpretation that he puts upon the contract. If the year, whenever it expired, meant $60 for the year, and meant putting in the buoys in the spring and taking them out in the fall he would be paid for one season's work, but he would have to continue the service until June 1, 1904, and be paid extra this spring. There is no use working up such contempt about so simple a matter. There is no use getting so excited about it. I am not at all excited over it. I do not cast personalities against any person in this House. I am perfectly free to do so, but I refrain because it would be undignified on my part. Now, suppose the contract meant what the hon. gentleman from Lennox pretends, that the buoys were to be put in in the spring and taken up in the fall. The man's contract was from 1st June, 1903, to 1st June, 1904, and whatever work was necessary within that time he should have done. He was paid $60 for last year's work, and would have been paid $30 more if he had placed the buoys in the spring before June of this year. When spring came it seems that there was a misunderstanding, I admit that. Mr. Herrington—I am not saying that he interfered with the department—wanted this gentleman to get a contract for three years. We said: No, we do not intend to give a contract for three years, we intend to have this service done in another manner. What did it mean? It meant that if Mr. Mowers had put back the buoys in the spring he would have been entitled to $30 for his actual work. The department never told him he would not be paid for his work. But, he was badly advised, and he said: No, I will not put them out unless I get a contract for three years. Mr. Mowers was an uneducated man, because he does not seem to know how to write, and he was advised by other parties not to do anything until he got his own way.

Mr. INGRAM. Will the hon. gentleman read from the correspondence the statement that he wanted a three year's contract?

Mr. PREFONTAINE. The correspondence is in the department, but this is the information I get from my officers. He refused point blank to put the buoys out in the spring, but wanted a contract for three years. I do not know anything about this small potato matter, as it has been called by some hon. members on the other side of the House, and if he wanted to secure this $30 extra it would have been very easy for him to have put out the buoys, but he did not do it. We do not owe him anything. He did not spend anything. Tenders have been asked for this work and he can tender if he thinks proper. The great argument, however, is that these buoys have not been put out and that there might be danger to navigation. I have to rely on my officers as regards that. My officers report to me that there is no hurry to put the buoys out because the water is so high that there can be no danger at the present moment. It is all very well to argue like my hon. friend from West Toronto (Mr. Osler) who is a director of the Canadian Pacific Railway that if you do not put buoys out in the St. Lawrence an accident may occur but in this case that argument cannot apply. We know perfectly well that in certain seasons of the year there can be scarcely any danger in leaving a small river without buoys. The fact of the matter is that not later than two days ago there were no buoys at all on Lake St. John which is an immense lake in the province of Quebec and we had to send an officer up there because the contractor had not put the buoys out. Things of this kind happen every day, but there was no danger there any more than there is in the Napanee river because the buoys are put out only to indicate shoal water. At the present moment the water is high enough and navigation can be carried on over the whole lake without any danger. There was no disposition on the part of the department to ill-use this contractor or take advantage of him in any way. If he had performed any work that he was not obliged to do under his contract he would have no reason to believe that the department would not have paid him.

Mr. WILSON. I am a little bit surprised at the statements made by the hon. minister, and that accounts to me for the answers that he gave because he desired that they should be interpreted either way. The deputy minister wrote:

> He entered into the contract nearly a year ago and it will terminate in June.

Notwithstanding that, the deputy minister had written him in April, 1903, urging him to go on and do the work and saying they would send the contract for him to sign. On the strength of that letter he got the buoys ready and put them in their places. Here is a copy of the receipt that Mr. Mowers signed for the pay for the work and the department at that time did consider

that he had carried out his year's contract. Mr. Herrington told him that the letters that he was getting from the department were liable to be interpreted in two ways and Mr. Mowers wanted to get an understanding from the department as to the work which he was to do. In the face of that he failed to get any declaration from the department. The hon. minister does not seem to have much confidence in Mr. Herrington.

Mr. PREFONTAINE. I do not know him.

Mr. WILSON. He is the leading Liberal in Lennox, a gentleman who goes out and stumps against me and we are just as good friends as the minister and I or a little better. Mr. Herrington is one of the strongest Liberals in that district and he is just as disagreeable on the stump as my hon. friend is in office. This gentleman has taken the pains to write for Mr. Mowers, and he himself puts this interpretation on the letters he gets. It would have been the easiest thing in the world for the hon. minister or for his deputy to direct that a telegram be sent to Mr. Herrington: Tell Mr. Mowers to do the work and we will pay him for it. I know of nothing in regard to a two or three years contract. As I can quite understand Mr. Mowers would prefer to have a contract for three years rather than for one year because sometimes the buoys get out of order and if he has to make a new one it would be better for him to have a three years' contract because the buoys last that long. In this case Mr. Mowers was prepared to go on and do the work if he had got an answer from the department.

Mr. INGRAM. It is perfectly plain that the hon. minister wanted to make us believe something which is not borne out by this correspondence. What was the object of the deputy minister in writing that Mr. Mowers' contract terminated on the first of June? He wrote asking about putting the buoys out in the spring. It is all very well for the hon. minister to talk about entering into personalities in connection with a matter of this kind. I have not said anything personal against the hon. minister himself but I am condemning this transaction, but if it is personal to call it contemptible I will repeat that. I have nothing against the hon. gentleman personally nor against any other minister of the Crown but it does not follow that because I have that regard for him I am to sit here and endorse a transaction of this character. The hon. gentleman cannot read that correspondence and come to any other conclusion than that which I have come to in regard to it. What was the object of writing in this way, if it were not to take advantage of this man? It requires no lawyer to interpret that; a layman can interpret the object of writing that letter.

Mr. WILSON.

Mr. ALCORN. It appears very plainly on the face of this correspondence, that the whole difficulty has arisen in the department, and that Mr. Mowers was perfectly justified in the position he took, that he should not do a year and a half's work for one year's pay. The letter of the 17th of April, 1903, makes that perfectly plain. The deputy minister writing to Mr. Mowers says:

> I have to inform you that the department will enter into a contract with you for one year.

That was not one year from June, 1903, because the letter is dated in April, and it is one year from that date.

> I have to inform you that the department will enter into a contract with you for one year for maintaining the buoy service on the Napanee river for the sum of $60 per annum, the amount paid formerly for the service.

If the department had, in pursuance of their evident intention, at the date on which they wrote that letter, sent the contract dated, April, 1903, none of the difficulty would have arisen. But the department having omitted to carry out what they evidently contemplated, has resulted in the river to this hour being unbuoyed, to the danger of craft navigating this narrow and tortuous stream. I know the river and it is quite incorrect to say that because the water is high this year, dangers to navigation do not exist. The dangers, as a matter of fact, are intensified because of that reason. The river has extensive marshes, particularly on one side, and it is more difficult for a vessel to keep in the channel when the water is high, because when the water is low the land marks would be more apparent. The government has therefore made the initial mistake departmentally, in not sending the contract in April when they stated they would and afterwards taking advantage of the contract forwarded in the month of June. The department is to blame for leaving the navigation dangerous by not buoying the river up to the present time.

Mr. HACKETT. Who is the contractor for placing the buoys at Alberton, Prince Edward Island?

Mr. PREFONTAINE. I cannot state from memory. I will bring the information to-morrow.

Mr. HACKETT. Was the work given by tender, or by private arrangement?

Mr. PREFONTAINE. I am informed that my officials think it was continued from year to year.

Mr. HACKETT. Without advertisement?

Mr. PREFONTAINE. I am not sure, but that is the information I have.

Mr. HACKETT. Who has the contract for placing the buoys at Summerside ?

Mr. PREFONTAINE. I will bring down the information later.

Mr. LAVELL. I do not think it would be too great flattery to the minister to say that in the course of the evening he has given us one or two small pieces of information. I asked him a question some hours ago which would help us to discover what value we could place on even the little information we got from him. The minister stated on several occasions that he always paid $65 a ton for the carbide, and in view of the question asked it was important that his answer should be correct. I called his attention to this fact that according to the Auditor General's Report he had paid at the rate of $100 per ton for carbide. It is important for the House to know how far we can trust to the accuracy of the Auditor General or to the accuracy of the minister's statements.

Mr. PREFONTAINE. What was the quantity ?

Mr. LAVELL. It was only 400 pounds, but what difference does that make ?

Mr. PREFONTAINE. You can make the difference.

Mr. LAVELL. It may make very little difference to the minister whether his statement is true or whether it is not, but it does make a lot of difference to the country. Does the minister contend that because it is a small quantity he had to pay $100 a ton ? The minister apparently will not answer. It may be that since he became minister the cerebral end of his corporation occupies more cubic feet than formerly. I submit that a member of this House has the right to know how far the minister's statements can be relied upon. I know from experience that you can buy 400 pounds of carbide at the rate of $65 a ton, because I have repeatedly done it myself. Why should the minister pay more? Perhaps the minister's statement in this respect may throw a side light on the accuracy of his other statements, and if his other statements are not more correct than this, I would like to know why the minister should attempt to give any information to the House at all on this or any other matter.

Mr. TAYLOR. The minister has given no satisfactory reason why the buoys are not placed on the Napanee river. A lot of money was spent by the steamer 'Scout' last year in placing buoys between Montreal and Kingston. She placed a number of buoys opposite Gananoque among the Thousand Islands, on some very dangerous shoals but she failed to pick them up again and now they are scattered all over the river in places where there are no shoals. Is it the intention of the minister to have them replaced this summer or to have them floating around the river as at present ?

Mr. PREFONTAINE. The information of my officials is that these buoys were placed at the demand of the hon. gentleman, at his special request, with the understanding that they would not be picked up by our steamers.

Mr. TAYLOR. The arrangements were made altogether through Mr. Britton, and the department. The hon. gentleman has no right to refer to me in the matter.

Mr. PREFONTAINE. That is the information I get.

Mr. TAYLOR. If you get that information from your department your officers are not worthy of giving you information. The arrangement was made with Mr. Britton. I know all about it, and I know they were placed through Mr. Britton who had been a candidate for the Liberal party there several times and I presume has the confidence of the department and with whom I suppose the department consult. It was he who arranged for having these buoys placed there and he takes all the credit. The department left them there, the ice swept them about and they are floating all around now. The 'Scout' passes there every few days ; why does she not replace them.

Mr. PREFONTAINE. The information of my officer is that Mr. Britton may have been present but that the hon. gentleman himself was present, and it was arranged that the buoys would be put out but would not be taken up in the fall by our steamers. I have no other statement to make.

Mr. TAYLOR. They are there now, government property, floating around the river. The late minister (Mr. Sutherland) went over the river, saw these dangerous shoals, agreed to put buoys there and did put them there. If there was any arrangement made with Mr. Britton or any one else, about taking them up I know nothing about it. The hon. member for Toronto some time ago, asked the minister on whose representations the change was made from oil to acetylene gas in lighthouses. Was that recommended by Mr. Anderson ?

Mr. PREFONTAINE. I have said half a dozen times that the change was made in the regular course of business. I found that the policy of the department through the engineer was perfectly satisfactory. I did not inquire whether Mr. Alexander or Mr. Fraser or some one else had recommended it, but I found that it was the policy of the department to replace the oil lamps by acetylene gas wherever necessary.

Mr. TAYLOR. Was there a report from the engineer ?

Mr. PREFONTAINE. I suppose so.

Mr. TAYLOR. Can your officers not inform you ? I am informed that your engineer reported against it.

Mr. PREFONTAINE. I am informed that Colonel Anderson himself started the first experiments. I understand the latest improvements on the route were made under Mr. Fraser afterwards.

Mr. TAYLOR. Then it was Mr. Fraser who recommended it to the department ? Somebody must have made a report recommending the change. The opposition are prepared and willing to grant all the money required for the improvement of the lights. I would like to have the minister bring down the report from his chief engineer or the engineer whoever he was, who made the recommendation that the change should be made. These old and faithful lighthouse keepers after serving the government for many years have been turned out almost on a day's notice.

Mr. RICHARDSON. It has come out that the public service in connection with this department has been neglected, and the minister has given a most remarkable excuse. He has said that no accident has occurred from this neglect. Is that a reasonable or fair excuse to give ? If the same principle is applied to the lower St. Lawrence and the outlet to the ocean, I do not know what the results may be in the future. The excuse is weak, puerile and altogether unbecoming and unworthy of a minister.

Mr. SPROULE. I think that the House is entitled to the information as to whose recommendation was received in reference to this change. There is an impression that while the lighting may be an improvement, there may be an increase in the price that would not warrant the change. We should know at least who recommended the change and whether it was recommended by a competent person.

Mr. PREFONTAINE. The experiments were begun by the chief engineer, Col. Anderson, and by Mr. Noble. They were begun before I had charge of the department. The result of the experiments was that the department a couple of years ago decided to put the system in operation. Since then it has been perfected, better apparatus has been secured, and the new system has given every satisfaction. There is no written recommendation or report that I know of, but if the hon. gentleman wants to insinuate that Col Anderson, the chief engineer, was opposed to the change, he is mistaken. A year ago, when there was an excursion to the Montreal harbour, and when the most important men of Montreal interested in shipping were complimenting the department on the improvements made in the lighting, Col. Anderson endorsed everything that had been done.

Mr. SPROULE. I made no insinuation regarding Col. Anderson being either in favour or against the change, but I only asked whether there was not a report recommending it. The minister says that the experiment was begun before he had charge of the department, but the records of the department are at his disposal, and if there be any recommendation either one way or the other, he ought to be able to procure it.

Mr. PREFONTAINE. I would ask my hon. friend as a business man, what difference would it make, if the change be a good one, whether it was recommended by Peter, John or Tom. The result is perfectly satisfactory not only to the department but to every body interested in shipping, and I do not see what more any one else can want.

Mr. SPROULE. All I want to get at is whether the department undertook to change the lighting without having the report of some one recommending the change. I cannot imagine any business man changing a whole system of lighting without having had an inquiry made by some one competent to judge and obtaining the report of that person. Will the minister give us the assurance that he will endeavour to ascertain whether there is any such report or recommendation, and if so submit it to the House ?

Mr. PREFONTAINE. I have no objection to inquiring, but my officials assure me that there is no such report. No doubt the experiment was tried after consultation with the officials of the department, but it does not necessarily follow that there should have been any writing. No doubt the officials said to the minister : Here is something new, will you allow us to look into it ? And the minister answered : All right; go on and make the experiment. And we have reports from day to day how it is going on. There is no need for papers or written reports. The minister may go himself and see how the experiment is made and what the results may be expected to be. When it reaches the point where the experiment is successful, the minister orders the installation of two, three, four or five of these lights to see how they will work in practice. If it is successful, it becomes the policy of the department. I have stated that it was the policy of the department to improve these aids to navigation on these lines. The hon. gentleman speaks of acetylene. That is only one firm. We use also Pintsch gas. Between Montreal and Sorel we have fifteen or twenty gas buoys using acetylene. The navigation

between Montreal and Sorel has been greatly improved, for steamers can now enter the port of Montreal or depart and go as far as Sorel at night, a thing that had never been thought of before. I take the responsibility of it; there was no written report made to me about it. I inquired of my engineers whether it would be possible to carry out the representations that had been made to me by the board of trade, the shipping interest and the harbour commissioners. I inquired whether it would be possible to make night navigation safe between Montreal and Sorel, because the channel between those points was finished and was in perfect condition. They answered me that it would be possible, that it was a question of installing a number of gas buoys. I asked them to make the calculation and authorized the purchase of the necessary apparatus for the installation. And they carried out my instructions. If you ask me was this done on the advice of Mr. J. F. Fraser, or of Col. Anderson, or of Mr. B. H. Fraser, Col. Anderson's assistant, I would say that they all worked together for the interests of the department and of the country, taking up this question as any other question would be taken up by the officers of the department. That is what we are there for. There would be no reason for the department if we were to fold our hands and not seek to improve the navigation of the river. I do not know what the object of the hon. gentleman is in insisting that there should be a report. There may be some written communication on the subject either from Mr. Anderson, Mr. B. H. Fraser or Mr. J. F. Fraser. But what difference does it make? It does not affect the working of the new plant. If I have been ill-advised by my engineers I have to stand the consequences. But I have no fear, because up to the present moment, it has been successful. At present we are trying to equip the thirty-five miles of the route between Port St. Francis and Cap à la Roche in the same way as the portion between Montreal and Sorel. These improvements benefit not only the port of Montreal, but the whole country, because they will enable vessels to navigate Lake St. Peter at night as well as by day, thus saving a great deal of time. The effect must be to cheapen freights between Montreal, at the head of navigation, and the ports of Europe. Scores of masters and others interested in navigation have told us that already these improvements have been the means of saving thousands of dollars to shippers and those interested in transportation. Take the case of the upper St. Lawrence, and it is the same thing—improve the means of navigation and you cheapen freights. We are trying to do the best we can under the circumstances, and, unless these hon. gentlemen condemn the making of these improvements, I do not see why these difficulties are raised.

Mr. SPROULE. The minister is only wasting his own time and that of the committee in putting up a man of straw only to knock him down. I did not object to the improvements. They may be all right, so far as I know. He says that there were no written reports, but that there may have been verbal ones. I take it that he did not order these changes without consulting some one and without having some one advise him that this would be a wise expenditure. All I asked was that, if there were any written reports, the hon. minister should bring them down. The hon. gentleman spoke of the upper lakes, but when he came to speak of improvements made there he mentioned one at Gananoque. He does not seem to use the expression 'upper lakes' in the same way I have been accustomed to hear it used. We speak of the upper lakes as the waters from Georgian Bay upwards. Is any provision to be made for these waters?

Mr. PREFONTAINE. Not under this vote. But, under a supplementary vote we are asking enough money to provide a depot on Georgian Bay so as to provide the aids to navigation as fast as possible.

Mr. SPROULE. When the hon. minister speaks of a depot, does he mean a manufacturing establishment to turn out these gas buoys?

Mr. PREFONTAINE. No, we do not manufacture the gas buoys. We have been trying to get them in Canada. Since I have been at the head of the department I have approached all the manufacturers in Montreal and Toronto and tried to convince them of the advantage they would gain by manufacturing these buoys. They are made of steel plates welded together, and the manufacture of them is very costly. There is no plant for that purpose now in Canada, and we have been obliged to import them from Germany. They are not made in the United States either, for that country has to import them from Germany also. I understand that Mr. Polson has stated that if there was sufficient market for them, and if the department would purchase them in sufficient quantity, he would install the necessary machinery. The machinery for manufacturing these buoys, according to the information I have obtained from Mr. Polson as well as from the Laurie works in Montreal, would cost about $100,000. It stands to reason that the principal purchaser would be the government. The work that is done at Prescott consists in the preparation of the gas, the manufacture of lanterns and other apparatus required. The depot is there, also the headquarters of the

buoy service between Montreal and Kingston. Formerly such an expensive plant was not required, because there were not so many buoys and lights and signals in use. The department is now in a better position to give the necessary service which is required. The matter is not new, it came before the House last year. We have discussed the question with business men interested in navigation between Montreal and the lakes.

Mr. INGRAM. I would like to point out that when we have tried to get some statement from the hon. minister as to who recommended the acetylene gas he replied that he did not know if there were any written reports. Now it is not to be expected that every member of this House can read all the reports laid before us from time to time. If the hon. gentleman had applied to his deputy, he could have ascertained the page and he could have referred us to page 94 of his own report, appendix No. 5, which tells us that Mr. Fraser dealt extensively with acetylene gas lights. If the minister had given us this information promptly less time would have been taken up.

Mr. SPROULE. What do these tanks cost each, I mean one that runs six months or a year ?

Mr. PREFONTAINE. About $875. In answer to the hon. member for East Elgin (Mr. Ingram), I may say that the report of Mr. J. F. Fraser was dated on the 31st of December, 1903. But I do not know that Mr. Fraser had anything to do with it. Besides Mr. J. F. Fraser there is another Mr. Fraser, who is assistant to Col. Anderson himself. So it is not extraordinary that Mr. J. F. Fraser in his report as commissioner of lights should have treated this question. He should not be reproached for it, nor should the government.

Mr. INGRAM. The minister might have told us that we could find the report in appendix 5, page 19 of his report.

Mr. PREFONTAINE. The question put by the hon. member was whether, before beginning the experiment of the acetylene system, there was a report. As I explained, that was before I took charge of the department. The report to which the hon. gentleman makes allusion is that of Mr. J. F. Fraser, and is dated 31st December, 1903. The experiments had been made previously to that, and it was therefore no longer an experiment.

Mr. INGRAM. There is no absolute recommendation in this report that these are the proper lights to adopt, it merely deals with the experiments that have been made. If the hon. gentleman wants to expedite business, let him tell us where we can get this information. We have not got time to go through all these blue-books. We expect the minister and his officers to point out to us where the information is to be found, because they are familiar with their own reports.

Mr. PREFONTAINE. The report of the Department of Marine and Fisheries was laid on the table of the House at the beginning of the session. Now does the hon. gentleman suppose that my officers, even those who prepared the reports and appendices, are in a position to tell me the precise page where I can find any particulars ?

Mr. INGRAM. Certainly.

Mr. PREFONTAINE. It is impossible, no man's brains are equal to the task. It is not reasonable to ask the officials to do this for the members. The report is laid before the House on purpose to inform the members of its contents, and if the members of the House are not intelligent enough to read the report and post themselves, they have no right to blame the minister or his officials because they are not ready to point out the precise page where you will find such and such a thing.

Mr. INGRAM. I will guarantee that the hon. gentlemen will not get any of his brother ministers in the cabinet to endorse him in that statement. Does the hon. gentleman pretend to say that the Auditor General's Report, that contains hundreds of pages, along with the hon. gentleman's own two departmental reports, also many others of great size, are such that the members of the House can master all the details contained in them ? We have not the time to peruse all the blue-books that are laid on the table of the House and attend to our other duties besides. It is simply impossible and I can tell my hon. friend that if I confined myself to the mastering of the details of these two blue-books since the opening of the session to now I could tell him the page in which to find this information. Here is the hon. minister and his officers handling this department from January to December, and yet they tell us they cannot point out in the appendix to these two blue-books where we can find this information ?

Mr. PREFONTAINE. Why did you not ask me ?

Mr. INGRAM. We have been asking you all along.

Mr. PREFONTAINE. I must deny that. If you had asked me where you could find this information from my reports I would have given you an answer at once. But, when you ask me that question in regard to all the reports in my department it is a different thing. You want me to look in all the pigeon holes of my department for reports, imaginary and otherwise. If the hon. gentleman had asked where this

subject was treated in the report of the department I would have looked it up and given him the information.

Mr. INGRAM. My hon. friend from East Grey simply asked whether there were any reports, and the minister said he did not know whether there were any or not.

Mr. PREFONTAINE. That was not the report asked for.

Mr. INGRAM. That was the report. The report asked for was in regard to these experiments which were carried out with the steamer 'Scout.'

Mr. SPROULE. It is about time that we adjourned if we intend to do another day's work to-morrow.

Some resolutions reported.

Mr. FIELDING moved the adjournment of the House.

Mr. SPROULE. I presume the understanding is that the House will be moved into Supply after routine to-morrow ?

Mr. FIELDING. To-day, yes ; that is correct.

Motion agreed to and House adjourned at 12.50 a.m., Thursday.

HOUSE OF COMMONS.

THURSDAY, June 23, 1904.

The SPEAKER took the Chair at Three o'clock.

PRIVATE BILLS—EXTENSION OF TIME.

Mr. A. GIBSON moved:

That, in accordance with the recommendation contained in the 20th report of the Select Standing Committee on Standing Orders that portion of the 49th rule which limits the time for presenting private Bills be suspended in reference to a Bill respecting the New Brunswick Southern Railway Company.

Hon. JOHN HAGGART. Mr. Speaker, I take it that this is a recommendation by a single committee. I would draw your attention to the rule of the House which says that where a rule is asked to be suspended the petition on which the request is made must be sent to two committees of the House, the committee that passes upon the principle of the Bill as well as the Committee on Standing Orders. I notice that lately there has been a complete disregard of that rule, and the rule is sometimes suspended on the recommendation of the committee.

Sir WILFRID LAURIER. To what rule does the hon. gentleman (Mr. Haggart) refer ?

Mr. HAGGART. I have forgotten the number.

Mr. SPEAKER. I think that that is one of the rules that is more honoured in the breach than the observance.

Mr. HAGGART. Yes, lately.

Motion agreed to.

FIRST READING.

Bill (No. 143) respecting the New Brunswick Southern Railway Company.—Mr. Gibson.

QUESTIONS.

SALMON CAUGHT IN GILL-NETS.

Mr. EARLE asked :

1. Has any communication been received by the government, or any department thereof, from cannery men in British Columbia, requesting the export to the United States of salmon caught in gill-nets in Canadian waters be prohibited ?

2. If so, what action does the government propose to take on such application ?

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries) :

1. Yes.

2. The question was considered at the time of the adoption of the British Columbia fishery regulations, dated 2nd May, 1904, and it was decided to confine the prohibition of such export to fish caught in trap-nets.

SEIZED SEALERS—PAYMENT OF CLAIMS.

Mr. R. L. BORDEN. Before the Orders of the Day are called, I would like to inquire of the government whether they have any information as to the probable date when the claims in respect to the sealing vessels seized by the Russian government will be paid. Some persons in my province who are interested in these claims have written me asking me to impress upon the government the extreme importance to them in several cases of the payment of these claims being expedited as much as possible. If the government have any information I would be glad if they would give it either to-day or on some future occasion.

Sir WILFRID LAURIER. I have no doubt that the Minister of Marine and Fisheries (Hon. Mr. Préfontaine) or the Minister of Finance (Hon. Mr. Fielding) will be able to give the information to-morrow.

DR. HAANEL'S REPORT.

Mr. E. F. CLARKE. Might I ask the government in what position is the report made by Dr. Haanel in respect to smelting ores by electricity ?

Hon. CLIFFORD SIFTON (Minister of the Interior). The full report of Dr. Haanel has not yet been completed and it will be some time before it is completed. The preliminary report can be had at any time.

SUPPLY—THE DISMISSAL OF LORD DUNDONALD.

Hon. W. S. FIELDING (Minister of Finance) moved that the House go into Committee of Supply.

Mr. R. L. BORDEN (Halifax). Mr. Speaker, I do not think that any one in the House or in the country will deny the importance of the incident to which I propose to direct attention this afternoon and with respect to which I propose to move a resolution in amendment to that which has been proposed by the hon. Minister of Finance (Mr. Fielding). I regret that I was not able to give to the House last evening the tenor of this resolution, but I have sent a copy of it to the right hon. the Prime Minister (Sir Wilfrid Laurier) at the earliest possible moment this morning, after it had been completed. The incident to which I refer touches vitally the question whether or not we are to have in Canada a non-partisan militia force, or whether we are to have in this country partisan politics introduced into the appointment of officers and the recommendations of men for commissions in that force. I would not suppose that there could be any two opinions on what should be the correct course. Up to the present time we have not heard a great deal of politics being introduced at least into this portion of the administration of the department. I do not remember in my own province ever hearing a man's political opinions discussed in connection with an appointment to a position in the militia. It would be extremely regrettable if partisan political considerations should be allowed to interpose between the General Officer Commanding and those officers who are subordinate to him. To permit, that is to permit interference by politicians with men who are engaged in the performance of their duty, and to interfere with an officer in the performance of his duty, in that regard is certain to result in the most disastrous effect upon the militia force of this country.

The incident with which we are especially concerned this afternoon, is that which relates to the organization of the 13th Scottish Light Dragoons, in the eastern townships of the province of Quebec. The circumstances connected with the case have been placed quite fully before the House and the country. I shall have to come to a consideration of the correspondence which has been brought down before I conclude my remarks, but let me say for the present that having read everything that has been published on the subject, having carefully examined the correspondence which has been brought down, having listened to the statements made in this House by the hon. the Minister of Militia (Sir Frederick Borden) and the hon. the Minister of Agriculture (Hon. Mr. Fisher) I cannot find one jot or tittle of evidence which indicates that Colonel Smart or Colonel Whitley, his brigadier, were influenced by any political considerations whatever, in the establishment of that regiment until the Minister of Agriculture imposed such considerations upon them. I think the evidence is absolutely conclusive that these gentlemen were simply endeavouring to find the best available men, to obtain qualified men when they could obtain qualified men and in the absence of men who were qualified, that their efforts were solely and absolutely directed to appointing the most efficient men in order that that regiment might be put on the most efficient possible basis. Mere motives of self-interest would lead these men to adopt that course. Why should Colonel Smart, a man responsible for that regiment, a man only desirous to put it on the best possible basis, seek to introduce political considerations? Colonel Smart is not a partisan; I do not know what his politics are, I do not know whether he has any pronounced legal opinions. Certainly he is not a Conservative partisan and I do not think he is a Liberal partisan. Colonel Whitley is, I understand, a Liberal in politics. I have never heard that he is a political partisan but I understand that his political sympathies are with the party in power. Therefore there is no possible reason to suppose that either one of these men would have been influenced by any political considerations, certainly not by any political considerations that would lend either one of them to favour the Conservative party in the making of appointments.

The question is whether or not partisan politics were introduced by the Minister of Agriculture (Hon. Mr. Fisher) into the organization of that regiment. We have had upon that subject a statement in this House by the hon. gentleman himself, and also a statement by the Minister of Militia (Sir Frederick Borden) and I propose to call attention in the first place to what the Minister of Agriculture himself has said upon the subject in order that I may in that way lead up to some consideration of the correspondence which has been brought down. The statement of the Minister of Agriculture is to be found in 'Hansard' at page 4581. I shall not read the whole of it, hon. gentlemen are familiar with it. It is to this effect:

> In regard to Lord Dundonald's general statement that I interfered with the organization of the corps, and with the names of the other proposed officers of the corps as well as Dr. Pickel's, let me say this: That the only

grounds on which I made any suggestions in regard to the establishment of this corps were the immense importance of the appointment of leading officers with military qualifications, who knew the country and the people of the eastern townships, the district where the corps was to be established.

Now, if we were to stop there and take that statement of the hon. the Minister of Agriculture (Hon. Mr. Fisher) supported as it was by the hon. the Minister of Militia (Sir Frederick Borden) we might only regard the interference of the Minister of Agriculture as meddlesome, and we need not regard it as absolutely vicious. He would be only meddling in that which other men were much better qualified to do. If his interference had stopped there and had been directed solely to that object, the criticism which I am about to make this afternoon would not have been so well deserved although I do not see any reason why the Minister of Agriculture should interpose his wonderful military knowledge, between the General Officer Commanding and those men who, under the General Officer, were charged with the duty of organizing this regiment. I would not suppose that, apart from political considerations, the Minister of Agriculture would feel himself qualified to over-ride the opinions of these gentlemen so far as military qualifications are concerned, because it is in regard to military qualifications that he is speaking in the portion of his remarks to which I have called attention.

Having thus called the Minister of Agriculture as a witness in his own behalf and having quoted that portion of the written statement which he made before this House, let us now see what he said further on the subject, after a memorandum from Lord Dundonald had been read, and let us see whether or not the statement which I have just read emanating from his own lips is supported by his own language on the very same day, in fact only a few minutes afterwards. On page 4605 he said this :

> I found this list of proposed names for the staff for the neighbourhood of Sweetsburg. First, Mr. John M. Gibson, a nephew of Senator Baker, and talked of as a possible Conservative candidate, in the constituency of Missisquoi to be third in command of that regiment.

If my hon. friend the Minister of Agriculture was concerning himself alone with the military qualifications of the gentlemen who were proposed to be recommended for that regiment, why was it necessary for him to inquire or to state the political opinions or the relationship of this gentleman, to whom I have just referred. He proceeded then as follows :

> Dr. Pickel, one of the strongest Conservative workers of the neighbourhood, and a family connection of Senator Baker, to be major in command of the squadron which, though gazetted for Adamsville, was to be changed to Sweetsburg to suit his convenience.

Do we find any reference there to the military qualifications of this gentleman ? No, we find there simply a reference to his political opinions and to his relationship to this same Senator Baker who seems to be the bête noir of the hon. Minister of Agriculture, and who has influenced unconsciously the hon. Minister of Agriculture in regard to this important matter by the mere fact of his having opposed him, as he had a perfect right to do, in his political campaigns in the eastern townships. But, surely we do not find in these words of the hon. Minister of Agriculture any question of the military qualifications of Dr. Pickel. The minister is interested merely in his political opinions and his relationship to this same Senator Baker. What is the next remark ? It is this :

> Mr. G. H. Baker, son of Senator Baker, to be senior captain of the said squadron.

No objection to the military qualifications of Captain Baker but merely a statement that he happens, unfortunately, to be related to Senator Baker—unfortunately according to the view of the hon. Minister of Agriculture, because if Captain Baker had not been the son of his father there would have been no objection to him by my hon. friend the Minister of Agriculture. Then, my hon. friend the Minister of Agriculture proceeds as follows :

> Mr. Thos. R. Pickel, son-in-law of Senator Baker, to be the junior captain of the said squadron.

The hon. Minister of Agriculture is unable to get Senator Baker out of his mind. Senator Baker looms up before him in connection with every one of these gentlemen, and it is not their military qualifications but their connection with Senator Baker which so thoroughly alarms him in connection with the appointments to his regiment. He proceeds :

> Then there were the names of two gentlemen, Messrs. Steacie and Reynolds, of Montreal, to be lieutenants. And down at the bottom of the list Mr. Thos. F. Cotton, a Liberal, son-in-law of the above-mentioned John M. Gibson, and grand nephew of Senator Baker.

It reminds one of a genealogical table.

Some hon. MEMBERS. Hear, hear.

Mr. R. L. BORDEN. My right hon. friend (Sir Wilfrid Laurier) smiles I am speaking of the remarks of the hon. Minister of Agriculture. This hon. gentleman who first told us that he was considering merely the qualifications of these officers has not one word to say about their military qualifications in what I have read, but he concerns himself solely with their relationship to Senator Baker and with their

political opinions. Yet he had the audacity to stand up in this House and say that his interference in the affairs of that regiment was concerned solely and absolutely with the military qualifications of the officers. He may be able to reconcile these statements. I am not able to reconcile them. I regard one statement as absolutely inconsistent with the other statement. But, I will go further and quote again from what the hon. gentleman said :

And down at the bottom of the list Mr. Thos. F. Cotton, a Liberal, son-in-law of the abovementioned John M. Gibson, and grand nephew of Senator Baker.

I am a little puzzled ; I do not know whether or not the fact that Mr. Cotton was a grand nephew of Senator Baker would outweigh the fact that he was a Liberal. There are two considerations. The hon. Minister of Agriculture must have been embarrassed. He was a grand nephew of Senator Baker on the one hand, but you must take into consideration the fact that on the other hand this gentleman was a Liberal in politics.

I told these gentlemen——

Mark this——

—that, putting aside any question of military qualifications, which I afterwards went into, such a list of officers for that squadron in that neighbourhood would be held to be an instance of political preferment.

Some hon. MEMBERS: Hear, hear.

Mr. R. L. BORDEN. This hon. gentleman who said that he was absolutely concerned with the military qualifications of these gentlemen, says here that putting aside any question of military qualifications such a list of officers would be held to be an instance of political preferment, and he continues :

It would be impossible to remove from the minds of the people of the district of Bedford the impression that the colonel who made such recommendations and was responsible for the success of this regiment had deliberately undertaken to turn that squadron, if not the whole regiment, into a political Tory organization.

Now, I venture to say that if an inquiry is granted by this government, and if Colonel Whitley and Colonel Smart are examined on oath they will be able to depose that the first man and the only man who brought any political question into the regiment was the hon gentleman who sits as Minister of Agriculture in this House. The hon. gentleman went on further :

And I said that, if such a recommendation as that were to go through and be known in the district of Bedford, nothing under heaven would remove the impression from the people of the county and of the country that the new regiment was to be conducted on the lines of the old regiments there, and that it would receive its baptism and would make its beginning as a Tory organization.

That is the way in which the hon. gentleman did not introduce political considerations into the organization of this regiment. That is the way in which he did not introduce them from first to last. Let us observe further what he said at page 4608 of ' Hansard ' :

I warned these gentlemen who, not knowing the country, not knowing the individuals, not knowing the relationship in connection with these people, I believed innocently, were led by local people into doing a thing which if it had been allowed to go through would have been a fatal blow to the efficiency and the success of this regiment. Sir, I plead guilty to that much interference in the matter on the ground of politics. And if that much of such interference is not in the interest of the regiment and of the country, and if men who apparently may have been—I do not say they were—carrying on these intrigues in regard to military appointments, these political intrigues to which Lord Dundonald refers, had been permitted to carry through their proposal, instead of being an interference on behalf of Liberals, of which I am accused, it would have been a deliberate interference and political intrigue on the part of Conservatives for the purpose of making this regiment what the old regiments there were, a Tory preserve and a Tory organization.

I quote this for the purpose of showing the animus with which the hon. Minister of Agriculture entered into the discussion of this matter with Colonel Smart and Colonel Whitley. The hon. gentleman does not make it very clear who were intriguing but I would gather from his remarks that he is accusing these two officers, Colonel Whitley and Colonel Smart, of carrying on that intrigue. I do not know whether he means that or not. Let me, however, say that as he refers to a family compact and refers to Senator Baker I have assurance from the best authority—Senator Baker—and I believe Colonel Smart has given the same assurance, that these two gentlemen who are accused of intriguing together have never exchanged one single word throughout their lives and are not personally acquainted with each other. That is the intrigue which the hon. Minister of Agriculture says had been going on in the eastern townships. Two gentlemen not even acquainted with each other are supposed to be intriguing for the purpose of creating a so-called Tory organization. Well, let us see what is said further about this matter. Let us see now what is said in regard to his conduct in the Order in Council which seeks to justify it :

Mr. Fisher states that so far as his interference related in any way to politics, it was not to give the new regiment a political colour, but to guard against that very evil.

And this is the same minister, who in a written statement before parliament used

these words which I will quote again in order that they may not be forgotten.

The only grounds on which I made any suggestion in regard to the establishment of this corps, were the immense importance of the appointment of leading officers with military qualifications.

In the minister's own speech delivered a few minutes afterwards, and in the very Order in Council which seeks to justify him, there is a confession of his interference on political grounds. I would not require more proof of the minister's political interference, but let me quote these words from the memorandum of Lord Dundonald which was read in this House by the hon. member for North Victoria (Mr. Sam. Hughes). Lord Dundonald says.

Shortly after the promulgation of the order authorizing the organization of the regiment, I received an order from Sir Frederick Borden to Colonel Pinault, the Deputy Minister of Militia, desiring him to stop the organization.

We have never yet had any explanation in this House as to how the Minister of Militia was induced to issue that order, stopping the organization of the regiment. Although it is said these reasons were communicated to the General Officer Commanding, they have not been communicated to this House, and knowing what we do of the conduct of the hon. minister afterwards, we cannot fail to come to the conclusion that it was the indirect interposition of the Minister of Agriculture which induced the Minister of Militia to make that order, and that it was for these partisan purposes which are disclosed in the correspondence, that the order was issued stopping and delaying the organization of that regiment. Lord Dundonald continues.

No explanation or reason for this step was vouchsafed, but indirectly I learned that the Minister of Agriculture was responsible for the delay which thus occurred.

There has been no contradiction in this House, of that statement up to the present. But that is not the chief part of the indictment against the Minister of Agriculture, because we have the direct and hitherto uncontradicted statement of the officer commanding this regiment, and whose duty it was to organize the regiment, as to the part which the Minister of Agriculture took in this matter. Colonel Smart says in his letter to Lord Dundonald :

I submitted the name of Dr. F. H. Pickel, who is mayor of the town of Sweetsburg, and warden of the county of Missisquoi, to be major in command of 'E' Squadron. Dr. Pickel is a gentleman of means, can ride fairly well, and was quite willing to take the necessary time to qualify himself for the position of major. Mr. Fisher objected to him for no other reason than that he was a strong political opponent of his, and was quite determined to block the whole organization, unless Dr. Pickel's name was withdrawn.

And yet, this is the minister who, in his first statement at least to this House, declared that his interference was for no other reason than to secure the appointment of properly qualified officers. Colonel Smart continues :

This I refused to do, as I had invited Dr. Pickel to come into the regiment, and told Mr. Fisher that some one else would have to be responsible for the withdrawal of Dr. Pickel's name.

Then Colonel Smart proceeds to deal with the facts attending the voluntary withdrawal of Dr. Pickel's name, and he gives a great many instances of cases in which the Minister of Agriculture had interfered with him. For example he says :

Hon. Mr. Fisher also took exception to the name of Mr. T. R. Pickel, who is also very enthusiastic and would make a capital cavalry officer.

I had submitted Mr. Pickel's name, recommending that he be appointed captain in 'E' Squadron, but Mr. Fisher insisted that I substitute the name of Lieutenant R. Steacie, making him captain and Mr. Pickel first lieutenant. I pointed out to Mr. Fisher that Mr. Pickel, being a resident of the townships, was entitled to a senior rank in preference to Mr. Steacie, who lives in Montreal, and, moreover, as Mr. Steacie is a relative of mine, it would place me in a false position, and appear as though I was unduly advancing him at the expense of others. However, Mr. Fisher evidently had his mind made up on the matter and insisted on the change, to which I reluctantly agreed. I regret to say that this caused some dissatisfaction, and I would like at the first opportunity to transfer Mr. Steacie to another squadron and recommend Mr. Pickel for his captaincy.

And let us see what the Minister of Agriculture had to do with the case of Captain Converse, a gentleman who in the memorandum brought down only yesterday by the government, is described as the most capable cavalry officer in Canada. Colonel Smart says :

With regard to the adjutancy, Captain Converse, whom I selected for this position, has served in the militia for about (15) fifteen years, and for a long time served as sergeant-major in the Duke of York's Hussars. Mr. Fisher asked me to drop this gentleman and substitute Mr. Adams, of the 6th Hussars, a gentleman who is very deaf, and whom I consider physically unfit for the position.

But, you will observe throughout all, that the Minister of Agriculture is solely concerned with obtaining officers qualified for the position, and for that reason he wanted to put to one side Captain Converse who is described as the best cavalry officer in Canada, and to substitute for him Mr. Adams, a gentleman so deaf as to be incapable of acting, in the opinion of Colonel Smart. And, according to the statement of Colonel Smart, Captain Adams was so sure of the effect which political power in the hands of the minister could exercise,

that he openly threatened Colonel Smart in the presence of Colonel Whitley with the exercise of his political influence. And, Sir, the political influence which Mr. Adams declared he could have exercised, has been very effectively exercised by the Minister of Agriculture. I venture to say, that if the government sees fit to grant an inquiry into that most important statement made by Colonel Smart as to the threats of Captain Adams, they will find that Colonel Smart is corroborated by Colonel Whitley, his brigadier. Colonel Smart says :

I absolutely declined to consider this at all, and Mr. Fisher waived his objections.

But he was not finished with Mr. Adams yet, as we shall see.

He then asked me to recommend Mr. Adams for major to command 'E' squadron, and this I flatly declined to do.

Mr. Fisher asked Colonel Smart to recommend Mr. Adams in place of Dr. Pickel whom Mr. Fisher had rejected, and yet this is the hon. gentleman who was concerned solely with assisting the Colonel who was to organize the regiment, in the selection of officers duly qualified for command. The Minister of Agriculture seems to have regarded his own judgment as absolutely superior to that of these experienced officers; he thought himself much more competent and more qualified to select officers, having regard to military qualifications, than were the experienced military men whom this country paid to discharge that duty.

Now, Sir, I shall consider for a moment what is the position of the General Officer Commanding, and what is the position of the Minister himself ? This regiment was about to be organized and the commanding officer had been chosen, whose duty was to select and report the names of his subordinate officers for recommendation by the General Officer Commanding. After the General Officer Commanding had recommended these names to the Minister of Militia, the Minister of Militia would of course have the responsibility of either approving of them or rejecting them. There is no question of that, under the system of government which we have in this country. Let us see what the statute says about the status of the Minister of Militia :

There shall be a Minister of Militia and Defence who shall be charged with and be responsible for the administration of militia affairs including all matters involving expenditure and of the fortifications, gun-boats ordnance, ammunition, arms, armouries, stores, munitions and habiliments of war belonging to Canada.

The duties of the General Officer Commanding are defined as follows :

There shall be appointed an officer who holds the rank of colonel or rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia, and shall be paid at the rate of four thousand dollars per annum in full of all pay and allowances.

It is therefore to be observed that under the statute the General Officer Commanding is charged with the military command and discipline of the militia. Regulations have been made under the statute which further defines his status and his duties. They are as follows :

He is the principal adviser of the Minister of Militia and Defence on all military questions ; is charged with the general supervision of the military branch of the department; issues general orders, and holds periodical inspections of the militia.

He is charged with the distribution, quartering and localization of the militia ; with the preparation and maintenance of detailed plans for mobilization ; with the preparation of schemes for offensive and defensive operations ; and with the collection and compilation of military information.

And I direct the attention of the House to the next clause :

He recommends to the Minister of Militia and Defence fit and proper persons for appointment to commissions in the militia ; and proposes fit and proper officers for promotion, for staff and other military appointments and for military honours and rewards.

Therefore the General Officer Commanding had imposed upon him by statute not only the military command and discipline of the militia, but the duty of recommending to the Minister of Militia and Defence fit and proper persons for appointment to commissions in the militia.

Now, one question which we must consider in this discussion is whether or not, having regard to the terms of that statute, the General Officer Commanding, in making his recommendations, is to be interfered with by the Minister of Agriculture ; because he is certainly interfered with if the Minister of Agriculture interposes his partisan political influence between the General Officer Commanding and his subordinate officers. The General Officer Commanding has the duty of making these recommendations to the Minister of Militia and Defence, and the subordinate officers of the General Officer Commanding have the duty of reporting to him, for his recommendation, the names of those persons : and the question with which we are confronted to-day is whether any cabinet minister, having no duties in connection with the militia, is to interpose his partisan political influence between the reports of the subordinate officers and the recommendation which is to be made by the General Officer Commanding. The General Officer Commanding, as I contend, is entitled

to have the reports of the subordinate officers, unhampered and unobstructed by political interference. That interference went so far in this case as absolutely to delay and stop the organization of the regiment, as I will show before I get through. Indeed, I need not say before I get through; because, unless the language of Colonel Smart is absolutely unjustified, he himself has proved by his letter to Lord Dundonald that that was the effect of the unwarranted interference of the Minister of Agriculture in that regard.

Before dealing with the correspondence which has been brought down, I want to say a word or two about documents which have not been brought down, but have been suppressed—I am not using that word in any offensive sense. There is a letter of the Minister of Militia to Colonel Whitley referred to on page 10 of the menorandum. The Minister of Militia says this:

> Towards the end of March last I wrote to Lieutenant-Colonel Whitley, expressing a desire to see him.

It would have been important, I think, to have had that letter brought down. I do not know whether it has been omitted by an oversight. I trust that it will be brought down before this discussion closes.

Sir FREDERICK BORDEN. I may say that there was no objection at all to bringing it down. I would be glad to bring it down. It was marked private, and for that reason was not brought down. But I will ask Colonel Whitley for his consent, because I would prefer to have it brought down.

Mr. R. L. BORDEN. Then, there are the letters of Colonel Whitley to the Minister of Agriculture of the 14th and 15th of May.

Hon. SYDNEY FISHER (Minister of Agriculture). I would like to say to the hon. gentleman that Colonel Whitley requests that those letters should not be brought down. They were marked private by him, and he has requested that they be kept private.

Mr. R. L. BORDEN. Has Colonel Whitley made that request by letter or orally?

Mr. FISHER. By telephone, to-day.

Mr. R. L. BORDEN. Well, I do not know why the letters of a brigadier in the militia to the Minister of Agriculture should be marked private. The Minister of Agriculture has some status in this matter or he has no status. I think he has no status. If he claims to have a status which justifies him in interfering with the affairs of this regiment, why is it that official communications respecting the organization of this regiment from an officer of Canada to the Minister of Agriculture should be marked private, and that this House should be deprived of them because either the Minister of Agriculture or Colonel Whitley thinks they should not be brought down? Why may we not have all communications in the Department of Militia or any other public department marked private? Why may we not have every report by a paid officer of this country marked private, and have ministers of the Crown refuse to have them brought down because they are marked private? Where are we to stop? Do not those letters relate to the organization of this regiment? Will my hon. friend the Minister of Agriculture deny that? And yet these letters are to be withheld from parliament because Colonel Whitley, an officer paid by this country for his services, thinks they should not be brought down. I do not know whether any suggestion was made to Colonel Whitley on that point; I do not know whether any intimation was given to him. From what I have heard of that gallant gentleman, I would not believe that he would write letters which he was not willing to have placed before parliament and the country unless he was led into some specious intrigue by the Minister of Agriculture which he might not be willing to disclose. Apart from that, I do not know of any reason why letters of Colonel Whitley or letters of any other officer of the militia with regard to matters of this kind should not be laid before this House. There were inclosures in one of these letters of Colonel Whitley. They are referred to on page 26 of this memorandum. The Minister of Agriculture says this, in his letter dated May 20, 1904:

> I have read your letters and the inclosures, and want to assure you not only that I am very glad things have now been settled, but that I appreciate the efforts which you and Colonel Smart have made to make things satisfactory.

Are the inclosures confidential? Might I ask my hon. friend the Minister of Agriculture whether the inclosures were also confidential?

Mr. FISHER. They are sent back to Colonel Whitley at his request. They are not in my possession. I do not know anything about them beyond having looked them over.

Mr. R. L. BORDEN. Colonel Whitley is I believe, the brigadier of the eastern townships and a salaried officer of this government. If he has documents of that kind in his possession, they can be produced. The government can produce them, if they desire, but we cannot. Why were not these inclosures brought down? But that is not all. The Minister of Agriculture proceeds as follows:—

> I have written to our friends telling them that this has been done and urging them to take hold of their work energetically and loyally, and I am sure they will do so.

Why should not these letters to 'our friends' be produced? They would show to what extent the Minister of Agriculture was interfering in the affairs of the regiment.

I take it for granted he has written nothing of which he is ashamed. If he is not ashamed of them, why does he not bring these letters down ? If he was interfering in the organization of this regiment, he must have been doing so as a public man, as one having some official status ; and as he wrote to Colonel Whitley and in that letter referred to inclosures, and as his own letter has been brought down, why should not the documents mentioned in that letter be also brought down ? How it is that these documents are any more private or privileged than the letter itself ? That letter could just as well be regarded as private as the documents referred to in it. Yet we have not one of these various documents to which I have referred. For some reason that I cannot very well appreciate, my hon. friend the Minister of Agriculture thinks they should not be produced.

As I have said already, the interference of my hon. friend in this matter evidently began early in March and was exercised up to the 20th of May, when he said he was acting as Minister of Militia. I do not know in what way he was really acting as Minister of Militia and Defence after all, but certainly up to the 19th of May he was not acting in that capacity. Yet his friends have been representing to the public that his only interference in the affairs of this regiment was when he was acting Minister of Militia and Defence in the absence of the hon. member for Kings, Nova Scotia (Sir Frederick Borden). That is the impression which his friends are seeking to convey throughout the country. But the interference of the Minister of Agriculture began as far back as the month of March and continued without intermission, as the correspondence and the evidence show, until the 19th of May, when he undertook, at the request of the Deputy Minister of Militia, to sign a certain recommendation in council. Let us see what authority he had to act. At page 24 of the return we have that authority which is contained in letter No. 5 on that page. That letter is as follows :—

Ottawa, May 19, 1904.

Hon. Sydney Fisher,
Minister of Agriculture,
Ottawa, Ont.

Dear Mr. Fisher,—Will you kindly sign the inclosed for the minister and if possible have it passed to-day.

Very faithfully yours,
L. F. PINAULT.

That is the only authority which my hon. friend the Minister of Agriculture had, and that is the only occasion on which he undertook to act officially for the Minister of Militia and Defence. If power can be given by any minister through his deputy, to another minister to act for him, if in that informal way one minister can vest in another all the powers conferred upon him by statute, I am very much surprised. But when we come a little further on, we find the mode in which the hon. minister did purport to act. He purported to act in this way :—

Ottawa, May 19th, 1904.

To His Excellency
The Governor General in Council.

The undersigned has the honour to recommend for your Excellency's approval, the attached draft general order, containing appointments and promotions, 13th Scottish Light Dragoons, the same having been recommended by the General Officer Commanding.

Respectfully submitted,
SYDNEY FISHER
for F. W. Borden,
Minister of Militia and Defence.

The Minister of Agriculture does not purport to be the acting Minister of Militia and Defence, but simply purports to sign his name for F. W. Borden, who is the Minister of Militia and Defence. I would not understand that, under any authority contained in that letter signed by Colonel Pinault, the Minister of Agriculture could have taken upon himself the functions of Minister of Militia. I should think that any authority of that kind would have to be conferred in some more formal way.

Before dealing with the correspondence, let me say further that my hon. friend takes great credit to himself for not having objected to all the Conservatives who were named by Colonel Smart and for having recommended some Conservatives. Well, as I understand the facts, Major Gibson was recommended, in the first instance, by Colonel Roy long before the Minister of Agriculture began his interference. I understand also that Captain G. H. Baker was transferred from the 6th Hussars, which he had originally entered, at the instance and request of Col. Amyrauld, formerly law partner of the late Mr. Duffy, provincial treasurer. So far as these gentlemen are concerned, my hon. friend the Minister of Agriculture had nothing to do with their appointment or recommendation. They were recommended by Colonels Roy and Amyrauld long before he began his interference. I understand also that Mr. Russell and Mr. T. R. Pickel were recommended by Colonel Roy and selected by him in conjunction with Colonel Smart. I have that information and I believe it to be accurate. The government have opportunities for discovering the truth. And Captain Converse, to whom the Minister of Agriculture objected, is described in the memo. brought down—described by Colonel Whitley, I think—as the best cavalry officer in Canada.

Before coming to the correspondence as to the net result of the efforts of Colonel Whitley and Colonel Smart to organize this regiment, which has been described by the Minister of Agriculture as a Tory organization—or rather he

has said that the efforts of Colonels Smart and Whitley would have converted it into a Tory organization—let me say that some investigation into the facts in that regard has been made by a gentleman connected with the Toronto 'News,' an independent journal, certainly not unfriendly to this administration, and the matter has been summed up in that journal, after what was evidently very careful research. Referring to Colonel Smart, the correspondent says this :

He is associated with no party organization. In his old corps politics constituted a forbidden subject, and his only idea was to ignore politics in forming his new corps. As a nucleus for the 13th he was given two squadrons of the 6th. One of the squadrons is commanded by a Liberal, the other by a Conservative. He had to find three more squadron leaders. Of the three men he selected, two are Liberals and the third, Dr. Pickel, is a Conservative. Thus, if noses are to be counted politically a majority of the five squadron leaders would be Liberal. A number of his officers, by the way, came from the old 79th Shefford and Brome Highlanders.

Further on in discussing this incident, the same journal said :

Of the eight senior combatant officers, we find the second in command and three squadron leaders Liberals, the third in command and two squadron leaders Conservatives, the commanding officer an independent. One of the Conservative officers only got his post after it had been declined by a strong Liberal. The brigadier, under whose immediate supervision the organization work was carried on, is a Liberal.

Perhaps the political complexion of the officers can best be set forth by a table :

	Liberal.	Conservative.	Independent or Unknown.
Staff	2	5	1
'A' squadron ..	4	4	..
'B' squadron ..	3	1	..
'C' squadron ..	3	2	..
'D' squadron ..	2	1	2
'E' squadron ..	1	3	1
Total	15	16	4

Mr. SAM. HUGHES. That first squadron should be three Liberals and one Conservative, not four.

Mr. R. L. BORDEN. Well, I am taking it just as it is given. Therefore, there is a total of 15 Liberal officers, 16 Conservatives, and 4 independent or unknown. And that is practically as it was proposed by Lieutenant-Colonel Smart in the first instance, as I understand ; and surely my hon. friend the Minister of Agriculture and those gentlemen who so vociferously cheered his remarks will not pretend for a moment in this House that any such organization of a regiment as that can be regarded as a Tory organization. I do not think it would make any difference if all the officers were Liberals, or if they were all Conservatives, provided they were the best men for the positions. I do not believe that Lieutenant-Colonel Smart had it in his mind to inquire or did inquire—until forced to do so by the Minister of Agriculture—whether any men he selected were Liberals or Conservatives in politics. Further than that, I may say once more that, while the Minister of Agriculture, in his zeal was anxious to impose Mr. Adams as adjutant of this corps, he was not less urgent in support of three gentlemen named Miltimore, two of whom had no military experience The Minister of Agriculture was shocked at the idea of two Pickels, but rejoiced at three Miltimores. It just happened curiously enough that the two Pickels were Conservatives while the three Miltimores were Liberals. And yet, we are told, he had not the slightest idea of introducing politics when he interfered with the affairs of this regiment. Further than that, I am informed, and I believe that the information is correct, that Mr. T. R. Pickel tried to induce a Mr. Matthew Ruiter an ardent Liberal and mayor of Cowansville to take his place. And Mr. Ruiter, though he did not take that place, has given his most loyal support to the squadron.

Now, I must refer at a little length to the correspondence brought down and I must refer to it in order of date. In February, 1904, the General Officer Commanding gave the usual orders to organize the 13th Scottish Light Dragoons. On the 19th November, Lieutenant-Colonel Smart was gazetted chief in command. Shortly afterwards, the General Officer Commanding was, for some reason not explained, ordered by the Minister of Militia to stop the organization. The Minister of Militia says :

Towards the end of March last, I wrote to Lieutenant-Colonel Whitley, expressing a desire to see him. Having learned afterwards that he was in England, I requested the general to suspend the work of organization until Lieutenant-Colonel Whitley's return, having previously explained the reasons to the military secretary for the information of the general.

We do not know what the reasons are. Perhaps we may hear before this discussion is concluded. On the 11th April a formal order was issued in these words :

Ottawa, April 11th, 1904.

The General Officer Commanding.

With reference to the establishment of the 13th Scottish Light Dragoons, will you be so kind as to suspend the organization of this regiment until further orders.

L. F. PINAULT, Colonel,
Deputy Minister of Militia and Defence.

That was followed by this :

Ottawa, April 29th, 1904.

To the General Officer Commanding.

On the 11th instant a minute was sent you requesting that the organization of the 13th Scottish Light Dragoons be suspended until further orders.

It has been brought to the minister's attention that the organization of this corps is being proceeded with, and he desires that the District Officer Commanding be at once notified to suspend the work until further orders.

L. F. PINAULT, Colonel,
Deputy Minister of Militia and Defence.

I think the Minister of Militia and Defence owes it to himself, to rise in this debate and explain to the House, in the first place, why it was he saw fit in April to stop the organization of this regiment which he himself had directed in February, and why, in the next place he supplemented that direction by the imperative command contained in the order of April 29th which I have just read. That command says, 'It has been brought to the minister's attention that the organization of this corps is being proceeded with.' Who brought it to the attention of the Minister of Militia ? Was it, by any chance, my hon. friend the Minister of Agriculture ? And was there any question of introducing politics in it ? Let us see what took place afterwards and perhaps we can form a judgment with regard to that. On 3rd May, the order which I have just read was followed by a direction from the Military Secretary to the District Officer Commanding which is as follows :

Ottawa, May 3, 1904.

From the Military Secretary, to the District Officer Commanding Military District No. 6, St. Johns, P.Q.

It is directed that the organization of the 13th Scottish Light Dragoons is suspended for the present. Notification to that effect should, at once, be sent to the lieutenant-colonel commanding.

HENRY SMITH, Lieut.-Col.,
Military Secretary.

At this stage, it might be well for us to consider the effect which this delay had. In order that we may estimate the results of this delay, directed by the Minister of Militia, let us look at Lieutenant-Colonel Smart's letter to the officer commanding the brigade dated 1st June which is to be found at page 40 of the correspondence. It is addressed to the officer commanding the Eastern Townships Cavalry Brigade. In the course of the letter Lieutenant-Colonel Smart says :

When I took command of the regiment, I was prepared to have the organization fully completed in time for the brigade camp this month, and have laid my plans accordingly, sparing neither time nor expense to accomplish it, but owing to the unfortunate delays to which I have been subjected, which were entirely beyond my control, I now find it impossible for me to realize my expectations.

That is the result, according to the official report of Lieutenant-Colonel Smart to his immediately superior officer. To the same effect is the letter from Lieutenant-Colonel Smart to the Minister of Agriculture (Mr. Fisher). The Minister of Agriculture had interfered to such an extent that Lieutenant-Colonel Smart seems to have thought it necessary that he should report to him as well as to the officer immediately above him, and on the 1st of June notifies Mr. Fisher, Minister of Agriculture, that he is unable to take the regiment into camp in its present unorganized state. This letter was sent to the Minister of Agriculture, for his information as it is said, and the Minister of Agriculture in replying on 3rd June said :

I have always thought that it was impossible for you to organize a new squadron in time for that camp.

Lieutenant-Colonel Smart was of opinion that he could get the regiment organized in time to take it in to camp, but the Minister of Agriculture with that superior knowledge of military affairs which has characterized him throughout, tells the commanding officer that he has always known from the first that it would be impossible for him to organize any squadron in time. Then he goes on to say :

I will recommend this to Sir Frederick Borden and hope that everything will be satisfactorily arranged for you to have a September camp. During the summer I have no doubt I shall be able to find some other young men who will take positions so as to better fill up your regiment.

That shows to what extent the Minister of Militia (Sir Frederick Borden) was willing to commit the charge of his department to his gallant—I suppose I should say gallant —to his hon. and gallant colleague the Minister of Agriculture (Mr. Fisher). Now, the organization having been suspended negotiations proceeded with my hon. and gallant friend the Minister of Agriculture. And the Minister of Militia stated, in his memorandum read in this House :

Early, in May, Lieutenant-Colonel Whitley brought Lieutenant Colonel Smart to Ottawa to see me. . . . . Both expressed a strong desire to have the general order put through quickly so that the regiment might go to camp.

The question was whether or not the Minister of Agriculture and the Minister of Militia could be induced to permit the organization to proceed. There was an interview that morning with the Minister of Militia, but the real interview, the important event, took place in the afternoon, between Lieutenant-Colonel Whitley and Lieutenant-Colonel Smart on the one hand and the Minister of Militia and the Minister of Agriculture on the other hand. There is a reference to that in the correspondence. I refer to the letter from Lieutenant-Colonel Smart to Mr. Fisher of 9th May. And that letter shows the extent to which the Minister of Agriculture interfered in the affairs of this regiment. It is as follows :

Montreal, May 9, 1904.

Hon. Sydney Fisher,
Ottawa, Ont.

Dear Mr. Fisher,—Agreeable to your request at our interview last Friday, I now inclose

herein memo. showing establishment of my regiment, also a list of all staff officers, with the exception of the veterinary surgeon, and all the various squadron officers recommended to date.

Now, is that not a curious letter to come from Colonel Charles A. Smart, engaged in the organization of this regiment, not to the Minister of Militia, but to the Minister of Agriculture? He incloses to the Minister of Agriculture who has nothing whatever to do with the militia, a memorandum showing the establishment of his regiment and all the various squadron officers recommended to date. He goes on:

I am showing the headquarters of 'B' Squadron as Knowlton, instead of Mansonville, as per arrangement made with you.

That is per arrangement, not made with the Minister of Militia, or with the General Officer Commanding, or under the direction of his superior officer, but 'as per arrangement made with you,' the Minister of Agriculture. And then, knowing that the Minister of Agriculture ought to have nothing to do with it, Colonel Smart adds:

And I am writing officially to-day through the proper channel asking that the change be made.

Then he proceeds as follows:

As you desired, I am not asking for the transfer of 'E' Squadron headquarters from Adamsville to Sweetsburg, meantime, but will wait until I hear further——

—from the General Officer Commanding, or the brigadier under him? No.

—until I hear further from you.

He can do nothing until he hears from the Minister of Agriculture. He continues:

With reference to the position of the veterinary surgeon, I would be pleased if you would recommend a good veterinary surgeon for this position. Dr. Irwin, of Waterloo, applied to me personally for this position, and I would have been pleased to recommend him as Mr. Parmelee spoke very highly of him, but unfortunately he is veterinary-surgeon in the Granby Field Battery, and Major Seale of that corps objected to having Dr. Irwin transferred, so I had to drop the matter. The only available veterinary-surgeon I know of is Dr. Dyer, of Sutton.

Then what follows?

Would he be acceptable to you? I would be glad to hear from you as early as possible about this matter to enable me to complete my staff.

Then there is a list of officers inclosed. The officer commanding is, of course, Colonel Smart. The officers recommended to date are:

Second in command, Major D. M. Stewart, Montreal.
Third in command, Mr. John G. Gibson, R.M.C., Cowansville.
Adjutant, Capt. W. B. Converse, Montreal.
Paymaster, Lt. M. F. Goddard, South Stukley.
Quartermaster, Lt. M. C. Martin, Waterloo.
Medical officer, Sur. Mjr. Macdonald, Sutton.
Medical officer, Sur. Lt. S. H. Martin, Waterloo.
Vet. Surgeon, still vacant.

Until the Minister of Agriculture can recommend a proper officer. Then he goes on to give a list of the squadron officers:

'A' Squadron.

Major, Major B. B. Morrill, Stanstead.
Captain, Captain Lincoln, Stanstead.
Captain, Captain Curtis, Stanstead.
Lieutenant, Lieut. G. W. Pomeray, Stanstead.
Lieutenant, Lieut. Cowans, Stanstead.
Lieutenant, Mr. H. B. Wheeler, Stanstead.

'B' Squadron.

Major, Major Guy Carr, Compton.
Captain, to be filled.
Captain, to be filled.
1st Lieutenant, Mr. J. M. Miltimore, Compton.

'C' Squadron.

Major, Capt. N. R. Moffat, West Ely.
Captain, Dr. Vaillancourt, Waterloo.
Captain, five lieutenants, Capt. Moffat has not yet submitted names for these.

'D' Squadron.

Major, Lt. E. J. Holland, V.C., Montreal.
Captain, Mr. W. H. Russell, Stanbridge East.
Captain, Mr. G. B. Bullard, Stanbridge East.
1st Lieutenant, Mr. C. W. McLean, Montreal.
1st Lieutenant, Mr. H. G. Sewell, Montreal.
1st Lieutenant, Mr. W. P. Miltimore, Sweetsburg.

'E' Squadron.

Major, Dr. F. H. Pickel, Sweetsburg.
Captain, Lt. E. H. Baker, Sweetsburg.
Captain, Mr. Thos. R. Pickel Sweetsburg.
1st Lieut., Lt. R. Steacie, Montreal.
1st Lieut., Mr. H. W. Reynolds, Montreal.
1st Lieut., Mr. Thos. F. Cotton, Sweetsburg.

Now, what happened next? Let us trace the steps one by one in order that we may appreciate what follows. First, we had the organization of this regiment ordered in February. We had it stopped early in March. We had a direction issued to stop the organization on April 11th. We had that direction renewed on April 29th. We had that direction communicated to the General Officer Commanding on May 3rd, and we had Colonel Whitley and Colonel Smart summoned to Ottawa to meet the Minister of Agriculture on May 6th. Then we had the correspondence, in which Colonel Smart is forced humbly to ask for the recommendations and the permission of the Minister of Agriculture; and then, on May 12th, after all these negotiations had gone on, the Minister of Militia was graciously pleased with the consent of the Minister of Agriculture to order that the organization might proceed. The Minister of Agriculture had been accomplishing his work of interference, matters were being arranged satisfactory, as one of the letters to which I shall refer expressed it, and so the organization of this regiment having

been stopped for two months, it was now allowed to proceed, the Minister of Agriculture having had arrangements made to satisfy him, or at least having so fixed matters that no officers could be recommended by Colonel Smart to the General Officer Commanding unless the Minister of Agriculture was pleased to concur in the recommendation. On May 13th there is a letter, which is also found in this memorandum, from the Minister of Agriculture to Colonel Smart. That is a very interesting letter. It is in reply to the one which I have just read, and is as follows :

Ottawa, May 13, 1904.

Dear Colonel Smart,—I beg to acknowledge yours of the 9th instant and the list of officers therein contained.

The gallant gentleman looked over this list of officers, and we will see what his opinion is in regard to them :

I am very glad to look over this, and in a general way am quite satisfied with what you have done. There are, however, one or two suggestions which I beg to make.

In the first place, I note that although in 'D' Squadron you have changed Mr. Russell and Lieutenant Holland, making the latter major and the former captain, you have still kept Dr. Pickel as major of 'E' Squadron. I thought it was thoroughly understood with us that this should not be, and that for the same reason that Holland was made major of 'D' Squadron, some officer of experience should be made major of 'E' Squadron.

I note also—what was not developed in our conversation—that in addition to Dr. Pickel and Lieutenant Baker, Mr. Thomas Pickel seems to have been offered a junior captaincy, and that two lieutenants of that squadron are suggested from Montreal, both apparently in the list to be senior to Mr. Cotton.

I am going out to the county to-morrow and expect to see a number of the men who are interested in the regiment at Cowansville to-morrow or Sunday——

Some hon. MEMBERS. Sunday !

Mr. R. L. BORDEN. To-morrow or Sunday,' yes.

Some hon. MEMBERS. Sunday ; oh, oh.

Mr. R. L. BORDEN (reading)—

—and will be able in the beginning of the week to write you more fully.

I think the interview was really held on Saturday night. If I remember correctly, the Minister of Agriculture made some reference to it when it was mentioned in the House, and denied that any such interview had been held at that time. If I remember his remarks, he denied that there was any such interview.

Mr. FISHER. No, no.

Mr. R. L. BORDEN. My hon. friend did not deny that ?

Mr. FISHER. The hon. member for Lanark (Mr. Haggart) read a newspaper report of such an interview, which I stated was a tissue of misrepresentations.

Mr. HAGGART. He said further than that, that no such interview occurred.

Mr. FISHER. No, I did not. Refer to the 'Hansard' and you will see.

Mr. HAGGART. If you will look up the debates you will find it.

Mr. R. L. BORDEN. I gathered from the remarks of the hon. minister at the time that no such interview had taken place.

Mr. FISHER. I made no such statement.

Mr. R. L. BORDEN. There was an interview with the hon. gentleman's party friends ?

Mr. FISHER. There was an interview with some gentlemen interested in this regiment.

Mr. R. L. BORDEN. I shall proceed with the letter. The hon. minister deals with the matter very fully in this case, and some of his remarks are very suggestive. He goes on :

I note also that a certain Captain Converse is suggested as adjutant.

Mr. FISHER. While the matter is up, I may say that I have looked up the 'Hansard,' revised, page 4646. I simply said :

I have only to say, Mr. Speaker, that that statement is a tissue of falsehoods from beginning to end.

That is all the denial I made.

Mr. HAGGART. What is the page ?

Sir FREDERICK BORDEN. Page 4646.

Mr. R. L. BORDEN (reading)—

I note also that a certain Captain Converse is suggested as adjutant. I think it would be very much better to name Mr. Adams as adjutant of this regiment, transferring him from the Montreal regiment. I have not consulted him, nor do I know whether he wishes it or would consent to it, but I think it would be extremely desirable that Colonel Whitley or you should offer Mr. Adams the adjutancy of this regiment. He is from the county, is known out there to take an interest in military matters and will be able to contribute very much to the raising of the regiment and to its organization. I accept fully that his deafness precludes him from being one of the staff ; but if it does not preclude him from being adjutant of the regiment in Montreal, it cannot preclude him from being adjutant of this regiment.

The hon. gentleman is absolutely interested in the efficiency of this regiment. In a memorandum which was brought down yesterday Captain Converse is described in the handwriting of Colonel Whitley, if I am not mistaken, as the most efficient cavalry officer in the county, and when Colonel Smart desired to appoint Captain Converse to the adjutancy of that regiment, having the best qualifications, Captain Converse

being, I suppose a Conservative, the hon. Minister of Agriculture desired to put him to one side and appoint to that position a gentleman whom the colonel absolutely refused to accept because his deafness precluded him from filling that position. Now, the next paragraph is also significant and it indicates to us very clearly the status which the the hon. Minister of Agriculture regarded himself as possessing :

I accept freely——

Mark you——

—I accept freely Major Stewart's appointment as second in command, and Mr. Gibson as third in command,——

How very fortunate for these gentlemen it was that the hon. Minister of Agriculture had no objection to them.

—also Surgeon Major Macdonald as senior medical officer, he being no doubt the senior medical militiaman in the district. I have been told since I saw you that he does not care to enter a cavalry regiment. If this is so, I will be glad to search for another medical officer, but I trust that Surgeon-Major Macdonald will accept, if only for a short time.

Surgeon-Lieutenant Martin also is quite acceptable.

Matters are going smoothly for Colonel Smart. The hon. Minister of Agriculture was graciously pleased to be satisfied with several of these nominations.

In regard to the appointment of Lieutenant Goddard as paymaster and Lieutenant Martin as quartermaster, I would say that Lieutenant Goddard acted as quartermaster at the last camp for the 79th, and that he has asked Mr. Parmelee and myself to be appointed quartermaster in this new regiment.

He does not make his application to the colonel commanding ; he simply goes to the Minister of Agriculture and desires the appointment.

Under these circumstances I must ask you——

I must ask you——

—to change Lieutenants Goddard and Martin, and make Lieutenant Goddard quartermaster and Lieutenant Martin paymaster.

He has, to use a Scotch expression, a very good conceit of himself when he informs the lieutenant-colonel commanding this regiment that although that gentleman has named certain officers to certain positions he, the Minister of Agriculture, must ask Lieutenant-Colonel Smart to change Lieutenants Goddard and Martin and make Lieutenant Godard quartermaster and Lieutenant Martin paymaster. Then he continues as follows :

I have just had a letter from Mr. Clifton Miltimore, whose name did not come up in our discussion the other day.

And let it be remembered that this is the third Miltimore that appears upon the scene.

He tells me he has had camp experience as a member of the 6th Hussars, and that he would like to have a captaincy in one of the squadrons, either 'B' or 'E.'

There is no possible reason why half a dozen Miltimores should not be in that regiment, even if every one of them was the strongest Liberal in Canada, provided they were the best men that could be found for those positions, and on the other hand there is not the slightest reason why a dozen men of the name of Pickel should not be in the regiment if they were the best men for the positions, although they might happen to be Conservatives. The person who, under the law, has to determine that is not the hon. Minister of Agriculture, but Colonel Smart. Smart.

I think——

Continues the hon. Minister of Agriculture——

—if he has been with the 6th Hussars, you must know him. He is ready to equip and qualify at once, and is keen to take part in the establishment of the regiment. I hope to see him while out in the county this week.

I will be able after my visit to the county to speak more positively as to the changes of 'E' squadron from Mansonville to Knowlton. I still think, however, that this is desirable.

The colonel is not to regulate the headquarters of the regiment. That comes within the purview of the Department of Agriculture. Then he continues as follows :

I will also be able to find out in regard to the transfer of 'E' squadron from Adamsville to Cowansville or Sweetsburg.

The way he is to find that out is to go to the country, consult his political friends and ascertain whether or not it will be politically expedient to transfer it from Adamsville to Cowansville or Sweetsburg. That is the only way in which I can interpret his letter. Perhaps the hon. gentleman would be able to put upon it some interpretation more favourable to his own action in this matter. There is no reason why many of these changes should not have been made, perhaps. I will not enter into that question. What I am criticising is the action of the hon. Minister of Agriculture in seeing fit to impose his petty political authority upon these officers and to hamper their action in making their recommendations to the General Officer Commanding. The General Officer Commanding ought to know that he has the advice of the officer commanding the regiment, not the dictation of the hon. Minister of Agriculture or any other politician. These successive stages in the recommendations are deemed necessary. If finally the hon. Minister of Militia and Defence sees fit to exercise his political control he can do so by refusing to accept the recommendation of the General Officer Commanding, but he would do so on his responsibility as a minister. But the General

Officer Commanding, under conditions such as these has not got the recommendations of his subordinate officer. These recommendations, so far as they are altered at the instance of the hon. Minister of Agriculture, are the recommendations of the Hon. Sydney Fisher and not the recommendations of Colonel Smart, the officer commanding. Lord Dundonald in receiving these recommendations would be deceived or misled. He would suppose that in these proposals he had received the deliberate opinion and advice of a competent and experienced commanding officer making his recommendations in the course of his military duty; but he had only the partisan political opinion of the hon. Minister of Agriculture expressed to him through the medium of the officer commanding the regiment.

Now, let us return once more to the 14th May. On that date a general list of appointments to the militia, cavalry, artillery and infantry was prepared, including the proposed appointments to the 13th Scottish Light Dragoons. This list included the name of Dr. Pickel. The list was submitted to the General Officer Commanding and approved and signed by him on the 18th May. The list was then delivered on the 18th May to the Department of Militia, and was on that day laid before the hon. Minister of Militia (Sir Frederick Borden) by his deputy, Colonel Pinault. On the 18th May the hon. Minister of Militia approved the list submitted with the exception of the part relating to the 13th Scottish Light Dragoons. The whole of the appointments to the 13th the hon. minister 'desired to hold over for further consideration.' And as the hon. minister intended to leave Ottawa on the 19th for about a week, he did not wish to delay the appointments to other regiments. He, therefore, cancelled the part as to the 13th instead of returning the whole list to Lord Dundonald for that purpose. He then appended to this list his recommendation to His Excellency and signed it, and that recommendation was subsequently approved in Council on the 31st of May.

On the 19th of May, the deputy minister advised Lord Dundonald of the action of the minister on the 18th, as above stated. That was by letter, which is to be found at page 17 of the memorandum, and which letter is as follows:

Ottawa, May 19th, 1904.

Dear Lord Dundonald,—Late last evening I placed before the minister the 'Gazette' dated 18th instant, for approval and submission to Council. With the exception of the part relating to the 13th Scottish Light Dragoons which the minister desired held over for further consideration, it was approved and as the minister intended to leave the city this morning for a week or so, rather than delay the submission of the remainder of the 'Gazette,' he cancelled and initialled the appointments to the 13th instead of returning the draft to you for that purpose.

Very faithfully yours,
L. F. PINAULT.

It will be observed that in this letter there is no suggestion at all that the appointments to the 13th Scottish Light Dragoons are to be dealt with before the minister returns. I challenge any hon. gentleman in this House to read the terms of that letter, and to conclude that the Minister of Militia had it then in his mind that the appointments to the 13th Scottish Light Dragoons were to be dealt with in his absence. It is true that the Minister of Militia in his statement to the House uses the following language, to be found at page 10 of the memorandum:

Finding that I would be obliged to be absent from Ottawa from the 18th to the 26th of May, I instructed my deputy to take the general order containing the proposed list of appointments as soon as completed to my colleague the Minister of Agriculture, to be by him submitted to Council, in view of the urgency of the case. I telegraphed to Lieutenant Col. Whitley to meet me at Montreal, on my way from Ottawa to Nova Scotia, which he did. He then repeated his previous request as to the necessity for putting the appointments through immediately.

There is some suggestion in that statement of the minister, that there was an intention on his part to have this matter dealt with during his absence, but in the letter written at the time by his deputy under instructions from himself, there is not the slightest suggestion of that character.

What happened then? It appears that Colonel Smart came to Ottawa on the 19th of May. There is a very peculiar letter on page 34 of the memorandum to which I direct attention. It was from Colonel Smart to the Minister of Agriculture and is as follows:

The Russell, Ottawa, 1 p.m.,
May 19th, 1904.

Dear Mr. Fisher,—As arranged with you this morning, a new list of recommendations has been made out and is now in the hands of the Deputy Minister of Militia, and I trust you will see that it goes through Council to-day.

Let it be especially observed that so far as this list is concerned, no authority whatever appears to be given to the Minister of Agriculture by the letter from Colonel Pinault to him. The letter continues:

The recommendation re Dr. Pickel is included, to be dealt with by you.

The papers re quartermaster, paymaster and Mr. C. Miltimore will go to Council later, the recommendations being in the hands of District Commanding Officer No. 6, in the case of the two former, and the latter I handed personally to the adjutant general.

I return herein memo you gave me this a.m. as you may require it.

Will meet you at 3 p.m. at the House as agreed.

Yours faithfully,
(Sgd.) CHAS. A. SMART,
Lieut.-Col.

Now, we have no very definite or precise information as to what took place at the interview between Colonel Smart and the Minister of Agriculture. It is perfectly evident, however, that Colonel Smart finding that he could not get his regiment organized unless he conformed absolutely to the demands of the Minister of Agriculture, came to Ottawa in despair after consultation with the brigadier, for the purpose of acceding in every respect to the demands of the Minister of Agriculture, and in that way to get his officers gazetted. Let us observe what the letter implies :

A new list of recommendations has been made out.

That means that Colonel Smart had made out a new list of recommendations to the General Officer Commanding ; the former list of recommendations having been cancelled by the Minister of Militia in order that the appointments to the other regiments might not be delayed :

The recommendation re Dr. Pickel is included to be dealt with by you.

That is to say, Colonel Smart insists that he will not withdraw the name of Dr. Pickel ; that the recommendation re Dr. Pickel is to go to the General Officer Commanding ; that name is to be included in his recommendation. And so the recommendation of Dr. Pickel is to be dealt with by the Minister of Agriculture in the absence of the Minister of Militia. That is the whole position so far as disclosed by that letter. What otherwise is the meaning of the expression:

The recommendation re Dr. Pickel is included to be dealt with by you.

And, on the original memorandum which has been brought down, there are certain words in pencil which confirm that conclusion. This, which I hold in my hand is the list of officers handed by Colonel Smart to the Minister of Agriculture, and which was before them when they had this interview on the 19th. We find :

Major, Dr. F. H. Pickel.

The words Dr. F. H. Pickel are erased in pencil, and over it are the words in pencil :

Major, Guy Carr.

And opposite the name 'Pickel,' these words in pencil :

Minister to fix this.

He fixed it by erasing the name of Dr. Pickel, after that name had been recommended by Colonel Smart and had been included by the General Officer Commanding in the list of recommendations to the Minister of Militia. There cannot be any doubt about that, although there has been an apparent attempt to cover up this transaction, as I will show further on. But let me in this connection refer to certain remarks of the Minister of Agriculture in his address to this House on a former occasion. I will read this to him, and I will ask him whether or not he still adheres to that language. I am reading from the revised 'Hansard' page 4610 :

Lord Dundonald goes on to say a number of things to which I shall not allude with regard to Mayor Pickel, &c., as I have already dealt with them. He, however, then goes on to show clearly by a letter to Colonel Pinault, that he was perfectly well aware of the fact that I had been requested by my colleague to sign this particular recommendation. He knew perfectly well that that list of officers was to be gazetted with the understanding that that name should be stricken out.

Does the Minister of Agriculture say that Lord Dundonald was apprised of that fact in any way ?

Mr. FISHER. When he made his speech in Montreal he knew it.

Mr. R. L. BORDEN. What is that ?

Mr. FISHER. When he made his speech in Montreal he knew it.

Mr. R. L. BORDEN. I am not talking about when he made his speech in Montreal.

Mr. FISHER. That was what I was talking about.

Mr. R. L. BORDEN. That is not what the Minister of Agriculture was talking about when he made this statement :

He knew perfectly well that that list of officers was to be gazetted with the understanding that that name should be stricken out.

That does not apply to anything that Lord Dundonald said in Montreal. It is a statement by the Minister of Agriculture to this House, that when Lord Dundonald made this recommendation he knew that the name of Dr. Pickel was to be stricken out of it by the Minister of Agriculture, or by the Minister of Militia. If it means anything, it means that, and I venture to say that the Minister of Agriculture will not be able to substantiate in this House or anywhere else this statement made by him on the floor of parliament.

Mr. FISHER. May I interrupt the hon. gentleman for a moment ?

Mr. R. L. BORDEN. Certainly.

Mr. FISHER. The context shows clearly that I was speaking of Lord Dundonald's speech in Montreal. I say:

Lord Dundonald goes on to say a number of things to which I shall not allude, with regard

to Mayor Pickel, &c. He, however, goes on to show clearly by a letter of Colonel Pinault that he was perfectly well aware of the fact that I had been requested by my colleague to sign this particular recommendation.

I was speaking of Lord Dundonald's speech and of nothing else, as the context shows clearly.

Mr. R. L. BORDEN. My hon. friend cannot distort that language into anything other than I have stated. He was talking about one thing, and one thing only: he was talking about Lord Dundonald's knowledge of what had been arranged at the time that gazette was put in. Even a child could understand that, and the Minister of Agriculture cannot twist the language into any other meaning. Talking about his speech in Montreal!—He was not talking about his speech in Montreal. He was stating, as distinctly as could be, that the General Officer Commanding had certain knowledge when that gazette went in. 'He knew,' says the Minister of Agriculture, 'perfectly well that that list of officers was to be gazetted, with the understanding that that name should be stricken out.' Does not that relate to Lord Dundonald's knowledge at a time anterior to that gazette going in? Otherwise, why does he use the expression, 'he knew that that list of officers was to be gazetted?'

It is beyond doubt—and we have it here distinctly in the admission of the Minister of Agriculture—that it was arranged by the Minister of Agriculture at that interview that that name was to be stricken out, and the General Officer Commanding, through the machinations of the Minister of Agriculture, was placed in this position. The subordinate officer, Colonel Smart, acting under his direction in the organization of this regiment, was, by direction of the Minister of Agriculture, to send in a recommendation to the General Officer Commanding, with an understanding between that subordinate officer and the Minister of Agriculture that one name, that of Dr. Pickel, was to be stricken out. The list went to the Department of Militia, the Minister of Militia left Ottawa for a time, and the Minister of Agriculture appears upon the scene. Lord Dundonald, who was perfectly capable of scratching this name out himself, if there was any understanding on his part that it was to be scratched out, sent in the list including this name; and then the Minister of Agriculture, on the same 19th day of May, 1904, wrote on the memorandum with reference to the name of Dr. Pickel:

Not approved. Sydney Fisher, for F. W. Borden.

The Minister of Agriculture on the same 19th of May sent the following memorandum to His Excellency the Governor General in Council:

Ottawa, May 19, 1904.

To His Excellency the Governor General in Council:

The undersigned has the honour to recommend for Your Excellency's approval, the attached draft general order, containing appointments and promotions, 13th Scottish Light Dragoons, the same having been recommended by the General Officer Commanding.

Respectfully submitted.

SYDNEY FISHER,
for F. W. BORDEN,
Minister of Militia and Defence.

Now, as I understand the facts, Dr. Pickel's name had been stricken out by the Minister of Agriculture before that letter was written and before that list was sent in. If I am in error in that, the Minister of Agriculture will correct me.

Mr. FISHER. The recommendation was signed and the name struck out at the same time.

Mr. R. L. BORDEN. That is, the recommendation went forward in this letter of the 19th of May with Dr. Pickel's name struck out?

Mr. FISHER. Yes.

Mr. R. L. BORDEN. Well, I would be inclined to criticise a little the concluding words of that letter, which are these: 'the same having been recommended by the General Officer Commanding.'

I want to refer once more to the letter of Colonel Smart of the 19th of May to the Minister of Agriculture. In the beginning of that letter Colonel Smart says:

As arranged with you this morning, a new list of recommendations has been made out and is now in the hands of the Deputy Minister of Militia, and I trust you will see it goes through Council to-day.

So the expectation of all parties was that that list would go through Council on the 19th of May; the Minister of Agriculture struck out the name of Dr. Pickel on the 19th of May; he wrote the letter to the Governor General in Council on the 19th of May; and it had been arranged, as appeared by Colonel Smart's letter, that the list should go through Council that day. The Minister of Agriculture and his friends throughout the country have taken great comfort from the fact that a communication was sent by Colonel Smart on the 19th of May. That communication, which is to be found on page 35, says:

Montreal, May 19, 1904.

Dear Mr. Fisher,—Immediately on my return this evening I met Lieutenant-Colonel Whitley and discussed fully with him all matters in connection with our interview of to-day. Colonel Whitley was pleased to learn that everything was arranged satisfactorily, and at his request I telephoned to Sweetsburg with a view of getting from Dr. Pickel his final answer as to whether or not it was his intention to remain in the squadron, because,

as I stated to you to-day, he had intimated to me his lukewarmness in the matter. I now have his final decision, which is that he gives up all connection with the squadron. In accordance, therefore, with Dr. Pickel's request, I can now, as Commanding Officer of the regiment, request you to kindly make the change in the 'Gazette' by leaving Dr. Pickel's name out.

I sincerely hope that this will meet with your approval and in view of the short time between now and date of camp, you will kindly see that all the recommendations pass Council to-morrow.

I now have his final decision, which is that he gives up all connection with the squadron. In accordance, therefore, with Dr. Pickel's request, I can now, as Commanding Officer of the regiment, request you to kindly make the change in the 'Gazette' by leaving Dr. Pickel's name out.

I sincerely hope that this will meet with your approval and in view of the short time between now and date of camp, you will kindly see that all the recommendations pass Council to-morrow.

On the folowing day, and on the same page of the memo., there is this letter from the Minister of Agriculture to Colonel Smart :—

Ottawa, May 20th, 1904.

Dear Colonel Smart,—I have yours of the 19th instant just now, and note what you say.

I have signed the 'Gazette' that was sent me by the Militia Department, but which did not reach my eye until this morning. I have stricken out Dr. Pickel's name, and will see that the other goes through this afternoon in Council. I would ask you as soon as possible to send in the other recommendations that you have, and I will try and hurry up the matter of Mr. Briggs and Mr. Benham, whom I have suggested as lieutenants in the Knowlton Squadron.

What I have to observe is this. There seems to me a very extraordinary discrepancy between the actual facts and what is stated in his letter of the minister. It was obviously arranged on the 19th of May that Dr. Pickel's name should be struck out, whether he withdrew or not. It was so arranged because the list was to go to council without his name, and the minister has intimated himself, in his statement just now, that he did on the 19th of May, strike out Dr. Pickel's name and send a recommendation to council that his name should be struck out. But some arrangement also had apparently been made with Colonel Smart to induce Dr. Pickel to withdraw. And so the Minister of Agriculture—although he had signed the 'Gazette' on the 19th of May, as far as the evidence shows—writes on the 20th to Colonel Smart: 'I have signed the 'Gazette' that was sent me by the Militia Department, but which did not reach my eye until this morning.' What I would like to understand is how the Minister of Agriculture could have signed that 'Gazette' and written the letter he did on the 19th of May, if the 'Gazette' did not reach his eye until the morning of the 20th of May. Was this letter of the 20th of May written for any special purpose ? Was it to be used afterwards for the purpose of showing that Dr. Pickel's name was only struck out because under pressure he had withdrawn ? Was there any desire or intention to conceal the fact that before his consent to withdraw had been obtained, his name had been struck off the list and that list had been sent to the Governor General in Council ? Then the minister goes on :

I have stricken out Dr. Pickel's name, and will see that the other goes through this afternoon in Council.

What was the arrangement on the 19th of May ? Did the Minister of Agriculture agree to accept Dr. Pickel ? Evidently he did not. Was it arranged then that Dr. Pickel's name was to be struck out ? Obviously it was and that arrangement was carried out. Under these circumstances, it does not seem to me that Colonel Smart's letter from Montreal on the 19th of May and the minister's letter of the following day afford very much defence for the action which the minister took on that occasion, nor do they in any way justify the interference of which he was guilty.

I have had to refer to this correspondence somewhat at length and there is much more of it to which I might very properly refer in view of the importance of the occasion. I can only say that it demonstrates beyond the shadow of a doubt the gross interference of the Minister of Agriculture in the organization of this regiment. There cannot be any doubt about it. There are the minister's letters, and even if we had not the report of Colonel Smart to which I have referred—his report to Lord Dundonald—we would be obliged to come to the conclusion that the organization of that regiment was hindered and delayed and the appointments influenced by party considerations imposed by the Minister of Agriculture.

I do not intend to refer this afternoon at any length to the part which Lord Dundonald took in this matter. We know that he has had a very distinguished career as a soldier. We know that he came to Canada with an honourable record, and I think we can all say that he leaves Canada with just as honourable a record. He found it necessary to take strong measures and he took them without shrinking from the consequences. He has been devoted, since he came to Canada, to the interests of our militia, he has spared no effort to promote its efficiency, but in everything he attempted to do he has been hampered, impeded, thwarted and obstructed by the very authorities to whom he was entitled to look for support, until finally, finding his usefulness gone—as the Auditor General has felt his disappear—he sought to arouse public opinion in order that better conditions

might prevail in Canada. He can afford, I think, to treat with disdain, the jibes and sneers which now emanate from those who, during the past two years, have been willing to accord to him that meed of praise which his distinguished services demand, but who now make him the mark for their petty attacks. He goes with the regret and the respect of the militia of Canada, the men who best know him, and the respect of those men means something to Lord Dundonald, because he knew them in South Africa, he appreciates the record which they made there of gallantry and devotion in the cause of the empire. He can appreciate that tribute of respect because the militia of Canada have at all times, whenever they have been put to the test, been found worthy of the trust which the country reposes in them. From the time when, under a gallant Canadian from the province of Quebec, 300 Canadian militiamen repulsed the American invasion at Chateauguay, down to the war in South Africa, those men have never been found wanting, and I say it is a tribute to his merits which Lord Dundonald, I believe, will not soon forget, that when he leaves Canada—whatever opinion may be entertained by men who desire to impose upon him party considerations—he will leave it at least with the respect of the militia of Canada and with the respect of all men who sincerely desire the welfare of the militia of this country. I beg to move thereof :

That all the words after the word 'that' in the proposed motion be left out and the following substituted therefor :—

The selection and appointment of officers in the militia should be made without regard to party political considerations which if permitted to exercise an influence will prove disastrous to the efficiency of the force.

That while the Minister of Militia is charged with and responsible for the administration of militia affairs the General Officer Commanding is by law charged under the orders of His Majesty with the military command and discipline of the militia and with the duty of recommending to the Minister of Militia fit and proper persons for appointment to commissions therein.

That the conduct of the Honourable Sydney Fisher, Minister of Agriculture, in interfering with the commanding officer of the Thirteenth Scottish Light Dragoons while that officer was engaged in the duty of selecting his subordinate officers for the approval of and for recommendation by the General Officer Commanding ; and the action of that minister in interposing party political influence between the General Officer Commanding and his officers and in requiring recommendations and appointments to be made or disallowed from party considerations, deserves and should receive the censure of this House.

The House regrets that this unwarrantable interference has been approved by the government, and that it not only has unduly delayed the organization of the regiment, but has culminated in depriving the militia of Canada of an experienced and distinguished commanding officer.

Mr. R. L. BORDEN.

Hon. SYDNEY FISHER (Minister of Agriculture). Mr. Speaker, in view of the resolution which has been moved by the leader of the opposition (Mr. R. L. Borden) in view, more especially, of the tone of many of the remarks he has addressed to the House, I believe it to be not only my duty but my right to take it upon myself to make a reply. I am glad of the opportunity of exercising that right, because I believe in what I have done in regard to this matter I have not only been exercising the right of a citizen of Canada, the right of a member of parliament, the right of a Minister of the Crown, but that I have been performing a duty which has been laid upon me as a public man on behalf of the militia of Canada. Valuing that right, impressed by that duty, I come to the consideration of the question with a clear conscience ; and I only ask that this House and the country shall judge me upon the merits of the case and upon the defence which I make to the accusation.

A few minutes ago the leader of the opposition read extracts from certain letters, attributing to those extracts certain meanings which he said were the only meanings he could read into the words. I venture to say that another meaning is easily to be found in them, a meaning more in consonance with the dignity of this House, and more in consonance with the dignity of the leader of a great party than the disingenuous quibbling indulged in by the leader of the opposition which was more worthy of a pettifogging lawyer than of the leader of a great party.

Some hon. MEMBERS. Oh, oh.

Some hon. MEMBERS. Order.

Mr. DEPUTY SPEAKER. I hope the House will maintain order.

Mr. FISHER. Sir, I will go into some of these details before I sit down, I will deal with some of the remarks which were made by the hon. leader of the opposition with regard to these letters ; and I will show what, I think, will appeal to any person who studies the correspondence with unprejudiced mind, that the interpretation put upon the letters by the leader of the opposition is not the fair or true one.

I wish, however, first of all, to say a word or two in regard to the resolution which the hon. gentleman (Mr. R. L. Borden) has placed before the House. To the first clause of that resolution. I do not think that anybody, least of all myself, can take exception. It is an expression of words of the spirit in which I have dealt with the whole matter of this regiment in the eastern townships—'That the selection and appointment of officers in the militia should be made without regard to political consideration, which, if permitted to exercise an influence will prove disastrous to the efficiency of the force.' Sir, I take straight, square issue

with the leader of the opposition and his political friends on this question. I maintain that, in the action I have taken and in the spirit with which I have acted I have opposed the interference of political considerations in militia appointments. I maintain, Sir, that the protest which I made was a protest against the political complexion of a certain squadron of this regiment, and that, had I not made that protest, I should have been worthy of such censure as the hon. gentleman expresses in this resolution. But, having made that protest, I claim that I deserve the thanks of gentlemen who profess to be influenced by these sentiments in regard to the militia ; instead of censuring me, they ought to have thanked me and supported me in my action.

The hon. gentleman has referred to the correspondence which has been laid on the table. I wish, very briefly to refer to the first item in that correspondence which is a copy of of the report of the sub-committee of council, having had under consideration certain recent public utterances of the right honourable the Earl of Dundonald, the conclusion of which was to dispense with the services of that officer as General Officer Commanding the militia of Canada. I would like to say, Sir, as a matter personal to myself—and I think that the House and the country will justify me in taking up a few moments of time in dealing with the personal question—I was not a member of that sub-committee of council and its work was done and its recommendation made during my absence from Ottawa. As a member of the council I had nothing whatever to do with the form of that report, or with the drawing up of it, or the wording of it. I want to say this simply because I feel very much gratified indeed at the terms of that report and the way in which my personal conduct was endorsed and sustained by my colleagues in the government. I will read, if I may, just one clause of that report which, I think, embodies the whole question as between the hon. member (Mr. R. L. Borden) who has introduced this resolution and the government which that resolution condemns :

> In the case of members of the cabinet, while all have an equal degree of responsibility in a constitutional sense, yet in the practical working out of responsible government in a country of such vast extent as Canada, it is found necessary to attach a special responsibility to each minister for the public affairs of the province or district with which he has close political connection and with which his colleagues may not be so well acquainted.
>
> Mr. Fisher, while sharing with his colleagues that general responsibility already referred to, represents in a particular manner the eastern townships of the province of Quebec. If, when it was proposed to form a new regiment in that district, he interested himself in the work and sought to make the organization effective, he was not merely exercising a right : he was discharging a duty both to the people of the district and to his colleagues in the cabinet, who would expect him to inform himself of all the facts and advise them before approval by the cabinet of the proposed arrangement.

Now Sir, I maintain that while I had nothing to do with the wording of that clause, it contains not only the proper constitutional interpretation of the duties of a Minister of the Crown in the government of Canada, but also a plain common sense statement of the necessities of government in this country, and that in that statement lies the complete and absolute justification of the work which I have done in regard to the constitution, equipment and enlistment of this regiment. Sir, I will make a very short recapitulation of what had occurred. When this matter was first brought to my attention I noted the appointment of a Montreal gentleman to be colonel of that regiment. I was afraid that people outside the district from which the regiment was to be recruited might not know the condition and the circumstances of the district, might not know the people in the district, might not be able to deal with the matters in the district as well as those who were in the district born and bred and acquainted with the people. I believed that in the militia organization of this country local knowledge in the raising of a regiment is especially necessary. In an old established militia organization it would not matter much if men from outside were introduced into that organization but when it comes to recruiting a new regiment, the establishment of an entirely new organization in a community, I ventured to think and think still that it was better that men with local knowledge should have the management of that organization. I leave myself in the judgment of the House and of the country on that point. The hon. leader of the opposition (Mr. R. L. Borden) wanted to know why it was that the Minister of Militia suspended the work of the organization of the regiment. I would say to him that I made representations to my colleague that it was inadvisable that all the leading officers in that regiment should be appointed from without the district. I pointed out the dangers to which I have just alluded and I believe that it was on that ground that my colleague gave the order suspending the organization of the regiment. I will say further that it was not until some time after that I received letters from the eastern townships pointing out a certain political complexion in the squadron that was afterwards so much discussed. I again spoke to my colleague and again pointed out that there was not only danger of people from outside doing things not in accordance with local conditions and needs, but also danger of political strife being raised in regard to the organization of this regiment.

Mr. SAM. HUGHES. Have these letters to which the minister has referred been brought down ?

Mr. FISHER. All the papers have been brought down that are not of a confidential nature, and no more papers that I have anything to do with can be brought down because they are of a confidential nature. Just at this point I may interrupt my argument to speak of this matter of confidential letters. I leave myself in the judgment of the House and of the country, but is it not perfectly proper and right that men who are interested in certain public matters should be allowed to write to their representative, and express views to that representative, in regard to public affairs which are of a confidential nature and which it would be highly improper to publish to the community at large? Sir, if it is contended that this can not be done, I venture to think that members of the government and members of the parliament, will be seriously hampered in the exercise of their public duties. If we are are not to receive communications which the writers can consider confidential, we cannot receive the best information in regard to public affairs. Sir, it would interfere with the efficiency of every member in this House if all correspondence that comes from his constituents to him as their representative, were to be open to the public and be laid before the public on the inconsiderate demand of anybody and everybody in this House. I venture to lay that down as a principle on which I am prepared to stand or fall.

When the hon. gentleman interrupted me I was saying that when these representations were made to me I then only and only then, and for the first time then, began to look upon this matter as in any sense political. I received a clipping from a newspaper out there which made some remarks as to the political complexion of the new organization, and I received letters which indicated that a certain squadron of that organization had a political complexion. I did speak to my colleague the Minister of Militia (Sir Frederick Borden) on that point and it was in consequence of that that he brought me into contact with the two military officers, Colonel Whitley and Colonel Smart. When I met these officers and found out exactly what they were recommending I was, as I stated on a former occasion, astounded to find the list of officers that was proposed for certain squadrons. The leader of the opposition (Mr. R. L. Borden) has read some of my remarks to-day, and taking out a sentence here and there he has endeavoured to attribute a false representation, a mistaken representation of the whole of those remarks. I shall go back, if I may, and allude to some of those remarks. I am quoting from the unrevised 'Hansard,' page 4762. I said:

> I took no exception to this. But I found a recommendation in regard to the neighbourhood of Sweetsburg, which, I confess, surprised me, and to which I did take exception. I must premise my explanation in regard to this matter by saying that Senator Baker, of Sweetsburg, is the acknowledged and active leader of the Conservatives of that district. I found this list of proposed names for the staff for the neighbourhood of Sweetsburg. First, Mr. John M. Gibson, a nephew of Senator Baker, and talked of as a possible Conservative candidate in the constituency of Missisquoi, to be third in command of that regiment. Dr. Pickel, one of the strongest Conservative workers of the neighbourhood and a family connection of Senator Baker, to be major in command of the squadron which, though gazetted for Adamsville, was to be changed to Sweetsburg to suit his convenience. Mr. G. H. Baker, son of Senator Baker, to be senior captain of the said squadron. Mr. Thomas R. Pickel, son-in-law of Senator Baker, to be the junior captain of the said squadron. Then there were the names of two gentlemen, Messrs. Steacie and Reynolds, of Montreal, to be lieutenants. And down at the bottom of the list Mr. Thomas F. Cotton, a Liberal, son-in-law of the above-mentioned John M. Gibson, and grand nephew of Senator Baker.

The 'Hansard' says 'son-in-law,' He is a nephew, not a son-in-law of Mr. Gibson and a grand nephew of Senator Baker. The leader of the opposition undertook to say that I was dealing with that from a purely political standpoint. He read that passage and said that there was nothing about qualification there, and he tried to make this House believe that I was dealing with the matter purely from a political standpoint, without any regard to the question of qualification. But if the hon. gentleman had read the very next sentence he would have seen that I did deal with it. With a disingenuousness which I did not expect from a man in his position in this country, the leader of the opposition suppressed the following sentence, and it is this:

> I told these gentlemen that, putting aside any question of military qualifications, which I afterwards went into——

Mr. R. L. BORDEN. I beg my hon. friend's pardon. I read that very thing which he says I did not read.

Mr. FISHER. I accept the hon. gentleman's correction, but if he did read it he read it after turning around to his followers and impressing upon them, as he wants to impress upon the people of this country, that I was dealing with this matter purely from a political standpoint, and that military qualifications had nothing whatever to do with my recommendation. He says he read it, and I accept his statement, but if he did read it he did not read it in connection with that; he read it afterwards at a time when it did not appear to have any connection at all with that.

Mr. R. L. BORDEN. I read it immediately after.

Mr. FISHER. I went on further to say this, and I am going to repeat it here and now, and I say that it is not only a justification of what I did in this matter, but it makes imperative the course which, had I

not pursued it, I would have been open to the severest condemnation and censure in regard to this regiment.

—such a list of officers for that squadron in that neighbourhood would be held to be an instance of political preferment, and that it would be impossible to remove from the minds of the people of the district of Bedford the impression that the colonel who made such recommendations and was responsible for the success of this regiment had deliberately undertaken to turn that squadron, if not the whole regiment, into a political Tory organization.

The position which I took then, and which I take to-day, is this : Colonel Smart was a stranger going into the district of Bedford to organize this regiment. He appears to have got into the hands of certain people out there. He told me himself that he had no political intentions. I fully accept that statement. I believe Colonel Smart, in making the statement that he had no political intentions, made a statement which was absolutely accurate and truthful. But I pointed out to him, as I point out to this House and the country, that if he had the strongest political intentions of making that squadron a political Tory organization he could not have chosen a set of names that would have more perfectly fitted his purpose. Sir, the very danger that I had foreseen when I protested to my colleague the hon. Minister of Militia and Defence that all the senior officers of this regiment should not be taken from Montreal came rapidly about. Colonel Smart, through an error or an inadvertency, he tells me, and I accept his statement, had deliberately done the thing which would have stamped him as a political agent, and which would have stamped the regiment as a political organization. I felt that it was my duty, as well as my right, to protest against such an action, such an occurrence and such a result.

Hon. gentlemen opposite are very solicitous against political interference. They do not condemn me at all, Sir, because I asked that Mr. Russell, a well-known Liberal, should be removed from the place of major of another squadron and that he should be replaced by a well-known Conservative, who had had military experience when Mr. Russell had none. They do not condemn me for that—oh, no ; because there I was asking that a Liberal should be put down and a Conservative raised above him. They do not object at all to my recommendation that Captain Guy Carr, a well-known Compton Conservative, should take the place of Doctor Pickel, because I knew that Captain Carr was an experienced military officer and that Doctor Pickel had never had any connection with the militia at all. They do not condemn me at all or take exception to that 'political recommendation'—oh, no ; because it was the recommendation of a Conservative, and therefore it is all right. Some years ago I read a witty saying from an eminent French writer who was discussing the question of capital punishment. An appeal had been made to him and others to do away with the death penalty. In discussing the question, he put the whole argument pithily and well in this way :

Que messieurs les assassins commencent.

For the benefit of the hon. leader of the opposition and others, I may say that it means :

Let the murderers commence in doing away with death.

I think I might apply that now to the question of political interference, and say : Let the Conservatives commence, and perhaps it would be well for the militia of the country. In that connection, I have one or two other things to say which I will say as briefly as possible about the list, &c. The hon. gentleman who has spoken alluded to Colonel Smart's letter to me and mine in recommending this list of officers, and he said that he doubted the truth of that recommendation, and said that it was not the recommendation of the General Officer's whole list. What I was recommending was the list recommended by the General Officer in Command. I recommended it in the usual form of the Department of Militia, and signed it for my colleague the hon. Minister of Militia and Defence. If the name of one officer was struck out, it did not militate in any way whatever against the recommendation of the rest of them by Lord Dundonald. Lord Dundonald made the recommendations, I signed them and sent forward his recommendations. I struck one name out, and I will deal with that a little later on ; but in this regard the hon. gentleman's criticism was rather disingenuous. The hon. gentleman talks about two Pickels and three Miltimores, and he refers also to Mr. Russell. The hon. gentleman says that I recommended Mr. Russell, who had no military experience. As I have just pointed out, I recommended his being reduced to a lower rank. I did do that because he had no military experience, and I recommended the appointment of an experienced military officer to take precedence of him in the squadron. The Conservatives say that was all right. I will have something to say a little later on perhaps in regard to the general question of the recommendations of the General Officer Commanding. I said a few moments ago that the hon. gentleman said Colonel Smart's action was non-political. I acquit Colonel Smart, but, as I said a few moments ago, I cannot refrain from saying again that although Colonel Smart's intentions were not political, his actions were intensely political—intensely political in the sense that they would have that effect upon the community. If there is one thing more im-

portant than another, it is that any regiment organized in the eastern townships should be efficient, that the officers chosen should be all men eminently qualified for the positions to which they are appointed, and that no political considerations should enter into the organization of the regiment. When I found, not Colonel Smart's, not Colonel Whitley's, not Lord Dundonald's, but no doubt the political intrigues of local politicians there, who had got the ear of Colonel Smart, making the regiment a political organization, I did protest, and to that extent only have I interfered on political grounds.

Mr. MONK. Would the hon. gentleman be kind enough to tell us who are these political gentlemen who have obtained the ear of Colonel Smart?

Mr. FISHER. Well, apparently they were the Baker family.

Mr. MONK. Will my hon. friend tell us if he has any evidence of that?

Mr. FISHER. I have no evidence except the list submitted and I think that evidence is enough. The hon. leader of the opposition has dwelt at some length upon the question of Mr. Adams and Captain Converse, and he has read my letter to Colonel Smart. That letter put the whole case in a nut-shell. Mr. Adams is a young man of eastern township birth who has been living for a number of years in Montreal, who has taken an active part in the militia organization there, and who has been an officer of the 6th Hussars for a number of years. This fall, at the military tournament in Montreal, Captain Adams took the first prize in equitation; a rather necessary qualification in a cavalry officer. Mr. Adams was a lieutenant in the 6th Hussars and—I do not remember the exact date but it was some time in the fall or early last winter—Colonel Whitley, his brigadier recommended Mr. Adams as adjutant of the 6th Hussars. Now, all I had the temerity to do was to suggest, that if Mr. Adams was competent physically and in a military sense to be the adjutant of the 6th Hussars on the recommendation of the brigadier, he was also competent to be adjutant of the 13th Dragoons. I therefore, wrote to Colonel Smart to suggest that as Mr. Adams was an eastern township man, where he knew the people, where he had been born and brought up, where he was a popular young man, who could lead a great many recruits into the ranks; he should be given a commission in this regiment, rather than to take absolute strangers to the district; men who knew nothing of the people, men who knew nothing about local conditions or the geography of the country. I did have the temerity to suggest that. I suggested it not as a military expert, not as a man familiar with military matters, not as a man who undertook to decide upon Mr. Adam's military qualifications, but as a man of some little common sense. As a man who does know the district of Bedford, and who does know the local conditions, I believe that such a man as Mr. Adams would not only be an ornament to the corps, but would be of great use to the organization of the corps in that district. The leader of the opposition read the statement by Colonel Smart in his letter to Lord Dundonald—not any statement Lord Dundonald made to me in regard to Mr. Adams—that Mr. Adams was physically unfit for the position, and yet his own brigadier within four months before that, had recommended Mr. Adams to be adjutant, the very same position in the 6th Hussars. In suggesting the name of Mr. Adams under the circumstances, was I interfering politically? No. I was interfering simply in a common sense way in the organization of the new regiment. I grant fully, and no man is more prepared to admit it than I am that on purely military qualifications the military experts at the command of the government ought to rule. But when it comes to matters connected with the affairs of this country; when it comes to matters involving local knowledge of local conditions, and knowledge of the people of Canada, I venture to think that the public men of Canada know more than any expert military or otherwise. The leader of the opposition has said that Captain Converse is a Conservative. I do not know whether he is or whether he is not. I have only this to say: that my colleague the Minister of Marine and Fisheries wrote to me asking me to recommend Captain Converse for the position as adjutant of that regiment. It does not look as if he were a Conservative, unless the Minister of Marine and Fisheries is so favourable to the Conservatives that he should recommend one. Anyway, I do not know whether Mr. Converse is a Conservative or not.

Sir FREDERICK BORDEN. It shows that there was no politics in it.

Mr. FISHER. As my colleague the Minister of Militia says, it shows that there are no politics in our recommendations.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Mr. FISHER. Mr. Speaker, before you left the chair at six o'clock, I had touched upon some remarks of the hon. leader of the opposition in regard to his interpretation of certain things which appeared in the letters which passed between myself and Colonel Smart. There was one matter, however, which the hon. gentleman alluded to

which I did not take up. and upon which I would now like to say a word or two. The hon. gentleman quoted from remarks of mine which were made in this House on a former occasion, from which he wished to draw the conclusion that I had said that the General Officer Commanding knew certain things at a time when he did not know those things. I want to say to the hon. gentleman, and I request him to accept the statement, that his interpretation of what I said then, whatever the language may bear, was not the one I had in my mind. I venture to think my words as reported in 'Hansard' do not bear the interpretation which the hon. gentleman put upon them. But still I will leave the matter of the interpretation of the single sentence to one side, and will say, and say positively and distinctly, that when I spoke on that occasion I meant to say that the General Officer Commanding, at the time he made his speech in Montreal at the military banquet in question, knew what I then alluded to. These are the words, and that is my interpretation of them, at page 4610 of the unrevised 'Hansard :'

Lord Dundonald goes on to say a number of things to which I shall not allude with regard to Mayor Pickel, &c., as I have already dealt with them. He, however, then goes on to show clearly by a letter to Colonel Pinault——

That is evidently a misprint, because I am not aware that there was any letter to Colonel Pinault to be shown, but there was one from Colonel Pinault——

—that he was perfectly well aware of the fact that I had been requested by my colleague to sign this particular recommendation. He knew perfectly well that that list of officers was to be gazetted with the understanding that that name should be stricken out. And yet his words at the banquet of Montreal, I submit to any unprejudiced person, would lead the public to believe that I, the Minister of Agriculture, had taken a recommendation of my colleague the Minister of Militia and had changed it on my own responsibility.

Now, Sir, that was not the case. The whole recommendation was signed by me acting for my colleague the Minister of Militia. The striking out of that name was done by me, having been discussed between Colonels Whitley and Smart. the Minister of Militia and myself, and was done by me after the receipt of a letter from Lieutenant-Colonel Smart requesting me to do it—requesting me to do it because he had communicated with Dr. Pickel and that gentleman had given his final answer in regard to this appointment, and that final answer was that Dr. Pickel did not wish to go into the 'Gazette.' Then, and then only, I struck out the name, signed the recommendation and sent it forward to Council to be embodied in an Order in Council.

Mr. R. L. BORDEN. Are the dates wrong —the dates of the 19th ?

Mr. FISHER. I will come to that in a moment or two. My statement in the House on the former occasion, I contend, shows clearly that that was what I meant. But in case anybody chooses to interpret it differently, I want to say now again that that was what I meant, namely, that Lord Dundonald, when he made that speech in Montreal, having received a letter that morning from Colonel Smart, knew that Colonel Smart had communicated with me and had asked for the striking out of Dr. Pickel's name. Therefore my contention that Lord Dundonald knew perfectly well the circumstances under which that name was striken out by me at the time he made this attack upon me, is completely and absolutely true. Sir, I am not going to enter into that question. Lord Dundonald's speech and Lord Dundonald's actions are matters for which he can answer. I make no accusation, I make no reflection. I leave that, Sir, for the country and the public and the empire to decide. But in regard to this matter, and the statements and implications of that gentleman and the statements and implications of the hon. leader of the opposition, I wish to make the absolute facts absolutely clear.

My hon. friend opposite, a few minutes ago, and before, undertook to say that it was somewhat difficult to reconcile the sequence of events in regard to these letters. The hon. gentleman made an insinuation that possibly the letter of mine of the 20th was written afterwards for the purpose of putting another complexion on events. I am surprised that the hon. gentleman would demean himself by making such an insinuation. I had supposed the hon. gentleman understood the decencies of debate as well as the decencies of treatment between gentlemen so as not to make such a statement as that. But, Sir, I must deal with the circumstances according to what he has said, and I will proceed to do so.

On the morning of the 19th of May, Colonel Smart came to my office saying that he had come up to secure the passage of the gazette. My hon. friend the Minister of Militia was away from Ottawa. He came to me, pointed out his recommendations, and asked me to see that they were put through. I said to him, in effect : 'If you will go to the Militia Department and see that the military branch makes the recommendations, I will act for my colleague the Minister of Militia, because we have talked this matter over. I know what was in his mind, and his intention, I know what was the agreement made between you and him, and in his absence, for the purpose of favouring what you want, of doing what you want, I will sign the recommendation and put it through Council.' Colonel Smart then left me. In his letter of the same date, dated the Russell House, 1 p.m.. Ottawa, May 19, he says :

As arranged with you this morning, a new list of recommendations has been made out

and is now in the hands of the Deputy Minister of Militia, and I trust you will see it goes through Council to-day.

The recommendation re Dr. Pickel is included, to be dealt with by you.

Then he goes on and alludes to some other matters in connection with the regiment. The recommendation from the Deputy Minister of Militia did not come to me until the next morning, the 20th. The letter of recommendation was inclosed in a letter from Colonel Pinault to me. It was dated the 19th, but coming through the mail it did not reach my office until the morning of the 20th. Colonel Smart appears to have gone back to Montreal on the evening of the 19th. His letter says that he will meet me at the House. I do not know whether he met me at the House or not; I do not remember that he did. But he went back to Montreal that evening, as is evidenced by a further letter from Colonel Smart written from Montreal on the evening of that same day on which he had seen me at Ottawa, and on which he had addressed to me the letter from the Russell House, dated 1 p.m. He left on the afternoon train, and addressed to me this letter from Montreal on the evening of the 19th:

Dear Mr. Fisher,—Immediately on my return this evening I met Lieutenant-Colonel Whitley and discussed fully with him all matters in connection with our interview of to-day. Colonel Whitley was pleased to learn that everything was arranged satisfactorily, and at his request I telephoned to Sweetsburg with a view of getting from Dr. Pickel his final answer as to whether or not it was his intention to remain in the squadron, because, as I stated to you to-day, he had intimated to me his lukewarmness in the matter. I now have his final decision, which is that he gives up all connection with the squadron. In accordance therefore with Dr. Pickel's request, I can now, as commanding officer of the regiment, request you to kindly make the change in the 'Gazette' by leaving Dr. Pickel's name out.

I do not see any difficulty about the sequence of events which the hon. gentleman finds it so difficult to understand. It seems to me to be perfectly clear, and had the hon. gentleman read this correspondence with attention, had he noted all the facts and not tried to take out something here and there on which he could hang an argument, he would have been able to see the sequence of events just as clearly as I am now demonstrating them. Colonel Smart went on to say:

I sincerely hope that this will meet with your approval, and in view of the short time between now and date of camp, you will kindly see that all the recommendations pass Council to-morrow.

Thanking you for your kind consideration and assistance, believe me,

Yours very sincerely,

CHAS. A. SMART,

Lt.-Col. commanding 13th S. L. Dragoons.

Mr. FISHER.

At the bottom of that letter was the following written in the handwriting of Colonel Whitley:

In view of above I certainly recommend that Lieutenant-Colonel Smart's suggestion be followed.

FRED. WHITLEY,

Lt.-Col. commanding 'E' Cav. Brigade.

Montreal, May 19, 1904.

Here, Sir, is a request from the commanding officer of this regiment, on whose recommendation the general had included Dr. Pickel's name in that list, to strike the name out, because Dr. Pickel had intimated to him that he did not want to have it in. And we have the endorsation of the brigadier, Colonel Whitley, to Lieutenant-Colonel Smart's request. On the receipt of the letter, I took up the recommendation which had been sent me by Colonel Pinault, the Deputy Minister of Militia, and which was lying on my desk, and struck out the name of Dr. Pickel, and signed opposite 'Sydney Fisher for F. W. Borden.' I signed at the bottom my name 'Sydney Fisher for F. W. Borden, Minister of Militia and Defence,' and I sent that recommendation to Council, where it was embodied in the Order in Council passed and signed by His Excellency within a few days. To corroborate what I have just said, I must mention that on the same day, I wrote the letter addressed to Colonel Whitley:

Ottawa, May 20th, 1904.

Dear Colonel Whitley,—I have not had an opportunity to reply to your letters of the 14th and 15th May earlier, but yesterday I had an interview with Colonel Smart, at which I think all arrangements were satisfactorily made to push along the establishment of the 13th Hussars.

This letter was written on the 20th of May, and it was on the 19th I had the interview with Colonel Smart.

I have read your letters and the inclosures, and want to assure you not only that I am very glad things have now been settled, but that I appreciate the efforts which you and Colonel Smart have made to make things satisfactory. I have written to our friends telling them this has been done and urging them to take hold of the work energetically and loyally, and I am sure they will do so. I think you will appreciate that I have not asked nearly as much as impetuous friends in the county expected, but I think that what I have asked has been entirely reasonable, and that some of these things at any rate were absolutely necessary to remove the impression which had been created by the unfortunate earlier recommendations.

My hon. friend is very keen at drawing conclusions. Well, I think he might draw the conclusion from this letter that I had found things done which would be detrimental to the interests of the regiment and was glad to have been able to improve matters. I went on to say:

I have just signed, on behalf of Sir Frederick Borden, the gazette, and expect to put it through this afternoon.

I here stated that I had just signed the 'Gazette.' I did sign it on the 20th, and I stated that on the 19th I had had an interview with Colonel Smart. What difficulty can there be in following the sequence of events? I do not see that the sequence is in any way involved or militates in any shape or form against the statement of facts I have made. I think I have dealt pretty thoroughly with all the matters the hon. gentleman has brought up regarding my political interference.

Mr. R. L. BORDEN. Might I ask the hon. gentleman what it is which is referred to in Colonel Smart's letter of the 19th of May, to be found on page 34, when he used this expression :

The recommendation re Dr. Pickel is included, to be dealt with by you.

Also the pencil note in the memorandum which was returned by Colonel Smart to the Minister of Agriculture : 'The minister is to fix this,' that was opposite Dr. Pickel's name.

Mr. FISHER. The explanation is very simple. I have already said that an interview which took place between Colonels Whitley and Smart and the Minister of Militia and myself, at the instance of my colleague, with regard to the affairs of the regiment, we have before us the list of officers which I have already characterized and need not characterize again. In that list was Dr. Pickel's name. In it were also the names of Captain Baker, Mr. T. R. Pickel, Mr. Cotton and Mr. J. F. Gibson. I found in that list a political complexion which I informed Colonels Whitley and Smart would damn the regiment as a Tory organization. More than that I venture to say that that list had a family complexion which would damn it equally in the eyes of the Conservatives, not only as a political organization but as a family compact. When Colonel Smart told me that he had no political intention, I said to him: I accept your statement Colonel Smart. I suppose you have no political intention, but if you had desired to do something which would stamp that regiment as a Tory organization, you could not have selected a list of officers which would more completely have that effect. Colonel Smart then said to me : What can be done ? I replied : Here are some gentlemen who are qualified. Mr. J. F. Gibson is a graduate of the military school at Kingston. His name will be unobjectionable to anybody in the townships, whether Liberal or Conservative. Dr. Pickel's name is the next, but that name would not appeal in the way of military qualifications to anybody. You are asking that Dr. Pickel should be made major of the squadron. You want to give him an important military position in the regiment, one requiring military experience; one in which he would be entrusted with the lives of a large number of men, one in which he would be obliged to handle those men, not only on the parade grounds, but, should the occasion arise, on the field of battle. Dr. Pickel was a man who had never taken an interest in military matters, who had never held an appointment in the militia. On what ground then could his appointment as major of a squadron in that regiment be justified ? I pointed to his name and said : There is one you can strike out on the ground that he has no qualification, and if it be struck out, the defects of the list will be minimized. The striking out of that name will lessen its political appearance, and the people will not be so disposed to condemn the regiment as a political organization. Dr. Pickel's name was struck out because he was to be appointed to a responsible position, which called for a man of military experience, and he had none, and because the whole list was so political in its appearance something had to be done to remove that evidence of political interference. Colonel Whitley and Colonel Smart seem to acknowledge the force of what I said. But, Colonel Smart said that as he had urged Dr. Pickel to take that position as he had asked him to go into the regiment, he did not feel like asking him not to send in his name. Then it was suggested and I do not know from whom the suggestion came—but I think it was my hon. colleague who suggested it—that when such a name as that came before the Minister of Militia, the Minister of Militia would not hesitate to strike it out, because the recommendations of the general are subject to be changed by the minister. When the recommendations of the general are asked to be put into effect they can only be put into effect by the approval of the minister.

Mr. R. L. BORDEN. May I ask the hon. gentleman a question ?

Mr. FISHER. Certainly.

Mr. R. L. BORDEN. I was referring to an interview of the 19th May ; but I think the hon. gentleman is referring to one of the 8th ?

Mr. FISHER. I was describing events that led up to it.

Mr. R. L. BORDEN. 'The recommendation re Dr. Pickel is included, to be dealt with by you.' Does that mean that it was to be struck out by the hon. gentleman if he desired to do so ?

Mr. FISHER. It refers to an arrangement by which Dr. Pickel's name was to be

struck out in the first place by the Minister of Militia. That morning, the minister being absent, Lieutenant Colonel Smart came to my office and asked me to go with him and put the order through which my colleague had arranged to do, as evidenced by Colonel Pinault's letter. And I, acting for the Minister of Militia, carried out the intention of the Minister of Militia as expressed to Lieutenant Colonel Smart and to Lieutenant Colonel Whitley.

Mr. R. L. BORDEN. May I ask the hon. gentleman one more question ?

Mr. FISHER. As many as you like.

Mr. R. L. BORDEN. I do not wish to interrupt without the hon. gentleman's consent.

Mr. FISHER. You have my free and frank consent.

Mr. R. L. BORDEN. Was the Minister of Militia present at the interview of 19th of May ?

Mr. FISHER. No, he was out of town. And it was in consequence of his being out of town that I had to act for him so as to get the gazette through, at the request of Lieutenant Colonel Whitley and Lieutenant Colonel Smart.

Now, I think I have explained that reference and have made clear the sequence of events. If the hon. gentleman (Mr. Borden) has any other questions to ask me I shall be glad to answer.

Mr. R. L. BORDEN. My hon. friend (Mr. Fisher) has answered them most satisfactorily.

Mr. FISHER. Hear, hear. For once, we agree. There are some other points in this resolution concerning which I wish to say a few words. There is one thing in it which is remarkable. We have already had a debate in this House on this question. In that debate Lord Dundonald's name came prominently forward. And, in that debate, hon. gentlemen opposite dwelt a good deal on Lord Dundonald's name and on his position as General Officer Commanding. But, on this resolution it comes in only as an allusion at the end. Well, Mr. Speaker, I can only supppose that hon. gentlemen opposite, having slept over the question, having considered what they had said, having considered the whole bearing of this question, have changed their minds. They have come to the conclusion that they will attack me personally, and, through me, the government of which I have the honour to be a member. They are discussing this resolution chiefly—almost altogether—in relation to the question of political interference. I think I have dealt with that in my own particular case. At any rate, I am ready to leave my case on that point as it stands. I know, however, two things. In the first place, by the order dispensing with Lord Dundonald's services, my colleagues did me the honour of espousing my cause, declaring that they agree with what I did, and saying that, so far as political interference was concerned, I was not guilty of the charge laid at my door. In the second place, in this motion the hon. gentleman alludes to the fact that what I had done was approved by the government. We, therefore, take square issue with hon. gentlemen opposite on behalf of the government and of the party which that government represents, on this question of political interference. I stated this afternoon to what extent I would plead guilty. I stated this afternoon what I believed to be the essence of the question before the country, and that essence is embodied in the Order in Council dispensing with the services of Lord Dundonald. I will not read the paragraph again ; but I may point out and repeat here that the extent of political interference to which I plead guilty is simply this—that when I found political interference and preferment being introduced into this regiment I protested against it. To that extent, and only to that extent, did I bring politics into the matter. I have already proven clearly that, in the discussions which arose as to the qualifications of the officers, I advocated the appointment of Conservatives over Liberals, that when I did suggest that a certain officer was not qualified from a military point of view and could not be justifiably appointed as major of that squadron, the only name I suggested as an alternative was that of as pronounced a Conservative as himself. Hon. gentlemen opposite talk about my recommending certain gentlemen of the name of Miltimore. These gentlemen were appointed to subordinate positions ; one, who had had experience in camp was recommended and ratified by Lieutenant Colonel Smart as captain ; and the others as junior lieutenants. I have the word of the General Officer Commanding and other military authorities that, when a new regiment is to be organized some men not qualified by military experience must necessarily be given positions in that regiment. But my whole contention was that where men of no military experience were put in as officers, they should take subordinate positions, and that the men who were given responsible positions should have military experience. I did not care whether they were Liberals or Conservatives. I recommended and suggested the appointment of Conservatives who had military experience.

Sir, the hon. leader of the opposition, (Mr. R. L. Borden) said this afternoon, that, as Minister of Agriculture and a civilian I was endangering the efficiency of the militia of this country. I found the recommendation of the General Officer Commanding, I found the recommendation of Lieutenant Colonel Smart, in favour of a man, who had no military qualification, for a responsible position, and I asked that he should not be

placed in that position. Who, I ask you, Sir, has the interest of the militia at heart? Is it the General Officer Commanding who recommends such a man? Is it the colonel of the regiment, another military expert who recommends such a man? Or is it I, a civilian, who urge that a man given a position of command in the militia shall be one of some military experience? Sir, I leave my conduct in the hands of the House and, with the history of that case as I have given it, I believe I shall be backed up not only by Liberals, but by Conservatives, by all who have at heart the interests of the militia of Canada.

The last paragraph of this resolution says:

> The House regrets that this unwarrantable interference, approved by the government, not only unduly delayed the organization of the regiment but has culminated in depriving the militia of Canada of an experienced and distinguished commanding officer.

The whole tenor of the document, and of the remarks of my hon. friends on the other side, shows clearly and distinctly that they have thrown Lord Dundonald overboard, but I did not suppose they would go to the extent of throwing over entirely and wholly Lord Dundonald's final statement as issued in the 'News' of last Saturday. They say that my conduct has culminated in depriving the militia of Canada of an experienced and distinguished officer. What does Lord Dundonald himself say? In his statement, taken from the Ottawa 'Citizen' of Monday, June 20,—and I believe this is a reprint of the statement which appeared in the Toronto 'News' which was revised and authorized by Lord Dundonald—he says:

> In my efforts I was constantly hampered by interference with that particular part of my work. This interference began very soon after my arrival. It has continued incessantly ever since. Mr. Fisher's interest in the affairs of the Thirteenth Scottish Light Dragoons was simply the final incident in a long list of various phases of obstruction.

I am not the guilty one; I am only the last straw that broke the camel's back. All I can say is that if my political interference is a fair example of the political interference about which Lord Dundonald complains in this extract he has very little to complain of, very little to complain of. I presume from the text of the whole statement that this was an aggravated case, that it was a case so aggravated that the general could no longer contain himself. I supposed when he made the speech in Montreal, and the report first came out, that it was a temporary outburst, but I find from Lord Dundonald's own statement in the letter which he addressed to the hon. member for North Victoria (Mr. Sam. Hughes) that he went there with the deliberate purpose and intent of setting the heather on fire.

Mr. SAM. HUGHES. He has succeeded.

Mr. FISHER. He has succeeded?

Mr. SAM. HUGHES. Yes.

Mr. FISHER. He has succeeded. That is all right, we will see what the results of the conflagration are.

Mr. MACPHERSON. A tempest in a pickle pot.

Mr. FISHER. I want to point out that if this is the policy of the hon. gentlemen opposite their contention and their conclusion has been entirely disproved out of the mouth of Lord Dundonald himself, and that therefore, on the evidence of the General Officer Commanding, this resolution ought to fall to the ground.

There are one or two things in this statement which I shall not discuss at length, but about which I must say a word or two. Under the heading of 'Wanted a verdict' we have:

> A course offering many attractions was to resign and issue a public statement giving my reasons. So far as I personally was concerned it would have been by far the easier and more pleasant course. The objection was that by so doing I would give neither the government nor the people of Canada any real opportunity to pass judgment upon the matters brought to their attention.

That of course is a matter of judgment and Lord Dundonald's judgment in regard to his course must be accepted. I must say myself, viewing it from the outside, that the judgment does not appeal to me.

An hon. MEMBER. A pity.

Mr. FISHER. And it appears to me that if Lord Dundonald had desired to draw the attention of the people of Canada successfully and effectually to anything concerning the militia, he would have done so more successfully and have put himself less in the wrong had he done so in the proper constitutional method and not violated everything connected with the constitutional government of this country. The course which in this article Lord Dundonald rejects would have been a proper and dignified course for an officer of the government. Lord Dundonald would have been quite justified if he felt his position as an officer of the government was not consistent with the actions of the government to have addressed a letter of resignation in whatever terms he chose to the minister in whose department he was, to the government of which he was an officer and that course would have been a right and proper course under the constitutional government of this country, and by adopting it he would not, as he has done in this case, have set at defiance every rule of constitutional government.

Mr. SPROULE. The letter of resignation might have been treated as confidential.

Mr. FISHER. Sir, the hon. gentleman knows quite well that the insinuation he is

making could not have any foundation. The hon. gentleman could have moved that the papers connected with the resignation of Lord Dundonald should be brought down, and they would have been brought before the country in a proper constitutional way while by the course pursued the whole has been done in a way which if this gentleman has such a strong position as his friends think and he thinks, he certainly endangers and injures that position because he has set at defiance all the rules of constitutional government in this country and has left himself open to the most serious reflections and the most serious condemnations.

I shall not go at any length into the question of the propriety of an officer of the government discussing the actions of that government but I will point out this, that there have been instances of a similar character in the old country and here. There have been expressions of opinion in regard to the propriety of the General Officer Commanding the militia being independent of the government of the country and independent of the Minister of Militia. Various authorities have been cited on this point. I am not going into it at any length but I shall point out the fact that I have here under my hand the authority of an eminent militiaman and military critic in this country. In the course of a correspondence this gentleman inquires :

> For my information and guidance might I have the authority quoted which permits the General Officer Commanding, an officer directly under the Minister of Militia, to receive and transmit as General Officer Commanding, commands from His Excellency.

Then in another case the same gentleman says :

> May I respectfully request you will be so good as to quote to me the authority which permits the General Officer Commanding to receive and transmit any commands from His Excellency, without its being an Order in Council, and then only by order of the Minister of Militia.

And then again he asks for any authority which allows an acknowledgment from the right hon. the Secretary of State for the Colonies to him to be forwarded through the General Officer Commanding without the order of the Minister of Militia.

Some hon. MEMBERS. Who wrote that ?

Mr. FISHER. An eminent military authority in Canada who signs himself 'Sam. Hughes.'

There are one or two other matters in regard to this subject in connection with which Lord Dundonald refers to me. The District Officer Commanding in the course of this memo. says :

> The only possible way to get the new corps officered was to get local support and trust the opinion of the Commanding Officer entrusted with the duty of raising the regiment.

The hon. the leader of the opposition (Mr. R. L. Borden) this afternoon dwelt a good deal on my advice in regard to the officering of this regiment. He dwelt on the fact that I had interfered because I had dared to suggest to Colonel Smart certain officers with certain qualifications.

The General Officer Commanding says that he ought to have this advice from the commanding officer. I do not deny for a moment that when it comes to a question of military qualifications it is the duty of the commanding officer, the military expert, to know about them, but when you come to raise and organize a new regiment in this country, or in any other country, as long as there is nothing that interferes with military qualifications there are other considerations to be taken into account in the successful organization of the regiment. There are considerations to be taken into account, in regard to which the people of the neighbourhood, even though they be civilians, little as they are to be considered in these matters, may find that they can give advice, in regard to which civilians who know the country, know the genius of the people, know the local conditions and circumstances, may be able to give advice which will be valuable to even a military expert—not advice on military affairs, not advice as to military qualifications. We have to take the word of the military expert for that. When Colonel Smart told me Captain Adams was physically disqualified to be the commander of the squadron, I said : That ends the matter. When I was told that it was military etiquette that the commanding officer of the regiment should have the absolute choice of his own adjutant, and although I had suggested Captain Adams' name in place of Captain Converse, when I was told that it was a subject for the colonel alone to deal with, I said that if it was a matter of military etiquette I had not a word to say, notwithstanding the fact that Captain Adams was adjutant of the 6th Hussars, and that, as an eastern townships man, he would be well qualified to be adjutant of the 13th Scottish Light Dragoons, seeing that he had been recommended by Colonel Whitley to be adjutant of the 6th Hussars a few months before. But these are military matters. I do not presume to set up my opinion against that of the military expert in military matters, but when it comes to matters which are social, and which are local in their character, I do venture to think, in my presumption, that I know more about the eastern townships than Lord Dundonald or Colonel Smart. When I first undertook to say anything about this regiment, it was just on that point that I spoke of. The men who come from Montreal to command the regiment in the eastern townships, not knowing the people, not knowing the local conditions, not knowing the various condi-

tions that go to make it a success, having made a mistake, I advised them, hoping to be able to remove some of the difficulties which confronted them in their ignorance, and that is the whole force and front of my offending in the matter. Again, I am not to set up my own opinion, but there is another opinion which I bow to as being that of a military expert. There was trouble a few years ago in regard to another General Officer Commanding, and these pregnant words were used in regard to that gentleman. The writer of these remarks was apparently interviewing His Excellency :

Re my remarks to His Excellency—what I there stated I repeat. I was somewhat taken aback at the cavalier manner in which he 'pooh-poohed' my suggestions re soldiers as colonists and re Canadians becoming British soldiers. He seemed troubled with what I frankly confess to be, in my opinion, your complaint of knowing it all and of not wishing to hear facts.

I suppose then he ought to have heard the facts.

What I said to him of you was that it was just possible you might make a mistake in selecting the officer to command a Canadian contingent.

These were the remarks made by this eminent military critic about the General Commanding the Canadian militia.

You might not be possessed of all the facts.

And, therefore, of course, this gentleman undertook to advise His Excellency.

Some hon. MEMBERS. What is the name of that gentleman ?

Mr. FISHER. That letter is signed 'Sam. Hughes. The General Officer Commanding, in this document, says that I was a witness against myself. He proceeds :

That Mr. Fisher's motives were political, he himself admitted in his second speech in the House of Commons on June 10. This admission, I may observe, was singularly at variance with his earlier speech on the same day. In that speech, which was a prepared statement, he distinctly stated that his objections to Dr. Pickel were of a military nature, and that his interference was not due to political motives.

The hon. leader of the opposition stated this afternoon, as he did on the former occasion, that my speech on that day was at variance with my statement. I venture to say that anybody who examines the two records will say that it was in no shape or way at variance with the statement. I stated that I had made no objection to any officer on political grounds alone. I did so in regard to Doctor Pickel because he had no military experience, and I did so because I found it necessary to remove the Tory political complexion of that particular squadron.

Some hon. MEMBERS. Oh, oh.

Mr. FISHER. Hon. gentlemen nod their heads. That is political interference, they say. They and their friends are to be allowed to intrigue, are to be allowed to put their friends into the militia, are to be allowed to give their friends promotion in the militia and are to be allowed, as in the old days, to make the militia of Canada a Tory preserve. And, Mr. Speaker, with that going on right under our noses, no Liberal who has at heart the interest of the militia is to be allowed to protest.

Mr. ROSAMOND. No Tory need apply.

Mr. FISHER. Mr. Gibson applied, and I endorsed him. Captain Baker applied, and I endorsed him. I recommended Captain Carr to take the place of Doctor Pickel, and I recommended Captain Holland to be put over Mr. Russell, the one a Conservative and the other a Liberal. I said that Surgeon-Major Macdonald, one of the most active politicians against me in my county, should, because he had been connected with the militia for years back, be offered the senior medical place in the regiment. I was told that he did not wish to go into a cavalry regiment. I said in one of the letters, which you can read, that I would be sorry if he declined and that I hoped that even for a short time he would take the position, because he was a military officer who had had experience. Yet the hon. gentleman says : 'No Tory need apply.' I venture to say that I have proved that Tories can apply and be endorsed by me if they have the military qualifications which justify their appointment. The same spirit which that hon. gentleman illustrates to-night, the same spirit which for years kept the Liberals of this country out of the militia of Canada and would not allow them to have a place in the militia continues to-day. They want to continue, in face of the fact that throughout this country there are hundreds of Liberals who want to go into the militia to serve their king and country, the intrigues of the old Conservative party, but I want to tell this House and to tell the people of Canada that as long as there is a Liberal government in power, as long as the Liberals hold a majority in this country, they will not be allowed to continue those intrigues. I take issue with hon. gentlemen opposite directly and straightly on that point. The Liberal government say that politics shall not be introduced into the militia. If they want to continue the militia as a Tory preserve I tell them that the Liberal government will say to them that they shall not do it by their intrigues and machinations.

That is the whole extent of any political interference in the militia which the Liberal party or the Liberal government would countenance or allow. The general goes on to say : That there was a peculiar coincidence in the fact that I was acting Minister of Militia. Well, there was a co-

incidence, but I do not think it was peculiar. My colleague, the Minister of Militia, and myself had been discussing this question ; we had been discussing the list of officers which was to be submitted ; and notwithstanding the insinuation, notwithstanding the evil opinion these people, thinking evilly, have in regard to myself, it was the most natural thing in the world that when my colleague, the Minister of Militia, went away for a day, he should ask me to sign the recommendations instead of going to one of his other colleagues who knew nothing about it. The rest of the government at that time knew nothing about it ; the rest of the government had not been concerned in it. The Minister of Militia, and I, as representing the townships—I who knew the local circumstances and conditions—had been consulting in regard to this matter. I had been giving suggestions with the view of making the regiment a success and making it effective, and it was natural, the most natural thing in the world that my colleague should ask me. It was a coincidence if you like, but I cannot acknowledge that it was peculiar. Mr. Speaker, I do not know that I need speak much longer ; I have spoken at much greater length than I intended ; I have been forced to do this, but I take issue straight and square on this resolution. It is a resolution condemning me and through me the government who have endorsed my action. I venture to think, Sir, that no political interference has been proven. On the contrary, my action, which has been endorsed by the government, was with a view of preventing all political interference. I venture to think that the statement that Lord Dundonald, by consequence of this incident has been lost to the militia of Canada, is not true ; and I have proven that it is not true ; out of the mouth of the late General Officer Commanding. If hon. gentlemen opposite wish to take that question up further, they can do so. I am surprised I must confess, that in this document and in this resolution they seem to have completely changed their minds since the former debate when Lord Dundonald was in the mouth of every one of them ; when Lord Dundonald's record and Lord Dundonald's actions were in the mouth of every one of them ; while to-day there is none among them so poor as to do him honour.

Mr. F. D. MONK (Jacques Cartier). I am very glad to be able to say a few brief words in defence of Lord Dundonald. I have listened to the Minister of Agriculture, and it is only by a violent stretch of the imagination that I have not been able to see in him the Minister of Militia. I am accustomed to hear the Minister of Agriculture entertain us about cold storage, the breeding of cattle, experimental farms, and the fattening of chickens, in the mildest possible fashion. But to-day, put a sword in his hand, and a military cap on his head and hear the swash-buckler, cutting language which he used, and all illusion concerning his agricultural pursuits is dispelled. He called my hon. friend the leader of the opposition a pettifogging lawyer. That is an opprobious epithet ; it is not used by gentlemen practising my profession, and the people of Canada no matter what their party allegiance, will be surprised to know that the Minister of Agriculture has applied such language to the distinguished leader of the Conservative party, who so calmly and so judiciously and with such a high sense of honour, placed before the House the facts of this very peculiar case. The Minister of Agriculture stated that he thought he could not let this motion go to the House, without making some observation. Well, I should think not. If the Minister of Agriculture had heard what every one else has heard during the past few days ; if he had heard that he placed himself and his party and his government in a very unnecessary mess, and that he is condemned generally for his foolish intermeddling, he would have no hesitation in believing that it was necessary for him to give some explanation to this parliament. Let us look at the facts calmly. Two years ago the government summoned to Canada a man of brilliant career ; a man having a proud record ; a brave man, a competent man. They gave this military expert the position of General Officer Commanding commanding our militia ; a position which he has since filled with perfect satisfaction to the Canadian militia, and to the whole people of Canada. To show what was the opinion entertained by the Minister of Militia of Lord Dundonald, I quote these words used a few months ago by the hon. gentleman (Sir Frederick Borden). He said :

> We might congratulate ourselves in this country on having at the head of the military side of the Militia Department a gentleman who understood the importance of all he (Sir Frederick) had said. He was not only a great warrior, as he had proved in a dozen battles, but he was a man of sound sense and judgment, who was here for the purpose not of self-aggrandisement, not of playing to the gallery and having his name and praises sounded on every possible opportunity, but of developing the material he found into one of the best fighting forces on the earth.

And the Minister of Militia could have added what he knows, and what every one knows ; that Lord Dundonald, whose record in the past has been so pure, so noble, so worthy of admiration, has not been in this country a mere dilettante, but has been without doubt, the best military commander we ever had. And what has happened ? A short time ago the General Officer Commanding after having discharged his military duties in Montreal, met his brother officers at dinner. It was not a public dinner tendered to him ; I insist upon that

feature because it is important in appreciating the conduct of Lord Dundonald. It was a dinner given to him by those officers who assisted him in the great work upon which he has been engaged for two years. At that dinner Lord Dundonald stated that in the carrying out of the mission which had been entrusted to him, his work was constantly hampered by political interference, and by meddlers who had no right and no justification for their conduct. And, Sir, he gave as an instance the fact, that the Minister of Agriculture without semblance of right had stricken from a list of officers presented by him in virtue of his duty, the name of an officer whom he had recommended for a position in this new regiment. Then what followed is a further proof of the harshness and arbitrariness of this government which has been manifested upon more than one occasion.

An organ of my right hon. friend in the city of Montreal stated in its issue of this morning that Mr. Monk would be watched, and it would be seen whether in this instance he was supporting Lord Dundonald. I am supoprting him, Mr. Speaker, as I have supported many less important men than Lord Dundonald, who have been sacrificed under the same principle of arbitrariness and tyranny which has characterized the government since 1896. This is no isolated case, Sir. Public employees in the county of Jacques Cartier, after the elections of 1896, fell like leaves in Vallumbrosa, and they fell not only there but elsewhere, and we took their defence when it was just and right to do so. And why should we not do so on this occasion if this man has been treated unjustly? In cases without number in my own county an inquiry was held conformably to the principles of British justice. Those who were about to be sacrificed were given an opportunity of being heard. But there has been no such element in this case; for what do we find? The General Officer Commanding, this man of whose record in military matters there is nothing but good to be said, was summoned to state whether what he had declared at that banquet was correctly reported or not. He was offered no opportunity to explain; he was not censured; he was asked simply to declare whether this was true or not; and upon his declaration that he had spoken substantially as reported in the papers, an Order in Council was passed. He was not treated with that courtesy which, as I am informed, military men of his rank are treated in every civilized country in the world. No messenger was sent, to communicate to him the declaration of the government. While he was in another city performing the military duty assigned to him, a telegraph boy brought him a yellow message informing him that the country had dispensed with his services.

Now, Mr. Speaker, speaking for myself, I regret this incident; but what is the cause of it? Has there arisen any great controversy between this distinguished man and the militia of our young country which he had under his command? None whatever. He was giving general satisfaction. Speaking at any rate for my own province, there has been no complaint. The relations have been most cordial. He is recognized in the province of Quebec as having been probably the most sympathetic, the most earnest, the most capable commander we have had in this country. Has he had any serious difficulty with the only man in this country who is his superior—nobody disputes that—the head of his department? None whatever in this instance. Has he had any serious difficulty with the government as a whole? He does not appear to have had. But the cause, the substance, the root of this whole difficulty is in the interference of the Minister of Agriculture. There is no other cause, There is no other man who takes cognizance of this record, who takes the trouble to study the facts, who does not say that if the Minister of Agriculture had not interfered in this affair, nothing would have prevented this able general from carrying to completion a work, Sir, which, whatever may be our opinions as to the necessity of increasing or diminishing the militia, is a necessary work in this country if we are to hold up our heads as a nation.

Now, Sir, will you allow me—because I am not a military man myself, and there are very competent men in militia matters on this side of the House, and perhaps on the other side—will you allow me to draw your attention for one moment to the position occupied in this country by the General Officer Commanding? I believe that is of some importance; because if the conditions under which we live are not satisfactory, we may alter them. If the institutions which we have do not please us, we may possibly find something to improve upon them. But in appreciating the conduct of Lord Dundonald, and in coming to a sound judgment upon the conduct of the Minister of Agriculture upon this occasion, it is necessary for us to have these facts before our minds. The General Officer Commanding in this country occupies a special position. It is impossible to read the law relating to that officer, it is impossible to know our constitutional traditions, without admitting that fact. It is sufficient to refer to the statute organizing the Militia Department to see that the position of the General Officer Commanding is not that of any other man in the service of this country. In the first place, the command of the militia forces in this country, just as in England, is vested in the head of the executive. There is no doubt

in regard to that. We have wrested from the Crown a great many rights and privileges. We have an absolute control of most of the things that appertain to the public service; but in this country, as in the old country, we have with the consent of the people, left certain prerogatives to the Crown. Amongst these is the prerogative of mercy, the prerogative of being the fountain of honour, the prerogative of initiating all financial measures, the prerogative of concluding treaties, and the prerogative of the command of the troops. I mention this fact, because I deem it important in appreciating the conduct of this whole affair. It is true, that we have long ago abandoned the old traditions of the Mutiny Act. It is not necessary for us to legislate every year in respect of the army or the militia because with the growth of our political institutions we have maintained the command which we can exercise to-day —a control over the armed force to which we could not pretend in former days—and we have to resort to what I would call intricacies in parliamentary procedure. But the fact remains nevertheless that the control of the army, the control of the militia, is under the head of the executive, under the Crown; and our action upon the militia can only be exercised by parliament through legislation and through the voting of supplies. To a certain extent, Sir, this explains how parliament has dealt with the functions of the Minister of Militia and the functions of the General Officer Commanding. After having declared that the command of the force is in the hands of His Majesty or the Governor General, as his representative, the statute defines the duties of the Minister of Militia. That minister is charged with and is responsible for the administration of the militia affairs, including all matters involving expenditure.

> The Minister of Militia and Defence shall have the initiative in all militia affairs involving the expenditure of money.
>
> The Governor in Council shall, from time to time, make such orders as are necessary respecting the duties to be performed by the Minister of Militia and Defence.

And when we come to the duties of the chief officer commanding, this is how parliament has defined them:

> There shall be appointed an officer who holds the rank of colonel or rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia, and shall be paid at the rate of four thousand dollars per annum in full of all pay and allowances.

This is repeated in the regulations and assignment of duties to the General Officer Commanding. In the regulations, which have for us the force of an Act of parliament, the General Officer Commanding is the sole person who is entitled to present to the Minister of Militia the list of those who are entitled to commissions and of those who are entitled to be promoted. If we bear these facts in mind, we will find in the Order in Council, under which the dismissal of the General Officer Commanding has taken place, an exposition of a totally different doctrine. That doctrine which has been defined by parliament, that doctrine which has been declared to be the will of parliament, which assigns certain specific duties to the Minister of Militia, which assigns certain duties to the General Officer Commanding, which circumscribes with care and defines within strict limits the duties assigned to the Minister of Agriculture—that doctrine which has the sanction of parliament and which has defined the administrative functions of this government, is absolutely contradicted by the Order in Council, of which I will read a paragraph. This is what the Order in Council says:

> In the case of members of the cabinet, while all have an equal degree of responsibility in a constitutional sense, yet in the practical working out of responsible government in a country of such vast extent as Canada, it is found necessary to attach a special responsibility to each minister for the public affairs of the province or district with which he has close political connection, and with which his colleagues may not be so well acquainted. Mr. Fisher, while sharing with his colleagues that general responsibility already referred to, represents in a particular manner the eastern townships of the province of Quebec. If, when it was proposed to form a new regiment in that district, he interested himself in the work and sought to make the organization effective, he was not merely exercising a right: he was discharging a duty both to the people of the district and to his colleagues in the cabinet, who would expect him to inform himself of all the facts and advise them before approval by the cabinet of the proposed arrangement.

That definition of the duties and administrative functions of the ministers is in direct contradiction, not only of our constitutional traditions, but of the express enactment and desire of parliament. Let me point out for a moment the view which I take of the interference of the Minister of Agriculture in this matter, and let us see what were the powers of the Minister of Agriculture before the 18th of May, when the Minister of Militia found that he had to leave Ottawa for a few days. Will it be pretended seriously that the Minister of Agriculture had before the 18th of May any more power to interfere with the organization of this new regiment in the eastern townships than any other man interested in public affairs throughout the country? If it were proposed to organize a regiment in the county of Jacques Cartier, could I, as one knowing the local conditions probably

better than most people, be qualified to interfere with the work of those regularly charged by statute and regulations with the organization of that regiment? Would I have the right to meddle with that organization and interfere with the nomination of the officers and men, duly and regularly proposed by those to whom the law had given that task? Had the Minister of Agriculture any more right than any other citizen to do what we find he did long before the Minister of Militia left Ottawa and long before the final arrangements were made for the confirmation of the list to which reference has been made in this matter? I say he had not, and I say more. We have had here three distinct defences from the Minister of Agriculture. So convinced was that gentleman that it was impossible for him to justify the interference on his part, which has produced such regrettable results, that he has three times shifted his ground of defence. On one occasion he pretended that he had merely acted in the capacity of errand bearer for the Minister of Militia. His role had been merely the ministerial one of bringing the list to Council. Later on he shifted his ground and urged that, as minister for the district, he had a right to interfere and pronounce on the efficiency, from a military point of view, of the gentlemen selected to be the officers in this new regiment. Then in the last resort he pretended that he had the right to interfere and make sure that in the organization of that regiment both political parties would be represented in their proper proportions. Let me point out what were the powers conferred upon my hon. friend by the Minister of Militia when he left the city of Ottawa. To ascertain what these were we need only refer to the record and to the explanation given by the Minister of Militia himself. It has been urged that at the moment, when the facts referred to in this case took place, my hon. friend the Minister of Agriculture was in reality the acting Minister of Militia. But, Sir, there can be no such thing as an acting Minister of Militia, or an acting minister of any department, unless authority has been duly conferred upon him in the proper way. I fail to see how, when a minister goes away from Ottawa for a few hours, or even a few days, he can, by his mere request, make one of his colleagues the acting minister for his department. He cannot do so. The minister in charge of a department is constituted under the great seal of Canada with certain regular formalities, and he cannot be replaced, even temporarily, unless certain formalities are gone through, and unless the cabinet has sanctioned the change. But there never was any pretense of conferring that authority on the Minister of Agriculture. What does the Minister of Militia say?

Finding that I will be obliged to be absent from Ottawa from the 18th to the 26th of May, I instructed my deputy to take the general order containing the proposed list of appointments as soon as completed, to my colleague, the Minister of Agriculture, to be by him submitted to Council, in view of the urgency of the case.

In other words, if the Minister of Agriculture had been brought into this affair at that moment and for the purpose specified by the Minister of Militia, the only role assigned him was a purely ministerial one—to take the list, as submitted to the Minister of Militia by the officer commanding, to Council, and have it approved as it then was and not otherwise. But, long before that, my hon. friend the Minister of Agriculture had forcibly introduced himself into this organization. He had long before that, and when the question of the formation of the regiment had been mooted, taken charge of the whole affair. My hon. friend the leader of the opposition (Mr. R. L. Borden) has quoted in detail from the record. It is not necessary that I should go over the same ground. But I say that there is no fair-minded, impartial man who will take cognizance of the correspondence and of the documents contained in this return, who will not at once arrive at the conclusion that, without having initiated in any way the idea of this regiment, the moment that idea was being carried into execution, my hon. friend the Minister of Agriculture interfered like a busybody and did not cease interfering until the event that we regret so much to-day had happened and he had deprived us of the services of the General Officer Commanding by his injudicious meddling. You will find that long before the 18th of May—in February and March—the Minister of Agriculture had already endeavoured to obtain control of this new organization. We do not find him going to the General Officer Commanding. He had the General Officer Commanding right here at hand. True, he made appointments with him which he did not keep. But he never in any way laid before the General Officer Commanding these observations which he laid before——

Mr. FISHER. I would like to correct the hon. gentleman (Mr. Monk) I never made any appointment with Lord Dundonald which I did not keep.

Mr. MONK. In this as in so many other instances, I regret to say, we have to choose between the utterances of Lord Dundonald himself and what is said by my hon. friend (Mr. Fisher).

Mr. FISHER. My hon. friend (Mr. Monk) is bound to accept my statement in this House.

Mr. MONK. Did the hon. gentleman tell us to-day that he ever had any serious conference with the Minister of Militia himself? If he did, I must confess we would be inclined to doubt his word, because it is sufficient to read the letters of my hon.

friend long before the 18th of May and up to the 7th of June to see that he speaks only in his own name. He says, 'I am undertaking to write letters in order to enlist officers'; 'I will endeavour to make sure you will be able to go to camp this year,' and so on. Taking the documents before us he seems to have left entirely aside the General Officer Commanding, and also the head of the department and the employees of the department. He placed himself in communication with Lieutenant Colonel Whitley and Lieutenant Colonel Smart. It is with them, and with them exclusively, that he endeavoured to organize that regiment in the way he thought it should be organized, balancing between the political parties. That is what my hon. friend did and I question whether, as a matter of fact, he did not by his actions, endeavour to seduce these officers from the performance of their duties. It was with the General Officer Commanding they had to deal, not with the Minister of Agriculture. They had to deal with the General Officer Commanding and the Minister of Militia, and nobody else. And it is impossible, I say, to take cognizance of this correspondence and not arrive at the conclusion that, by the tolerance of the Minister of Militia, if in no other way, it was the Minister of Agriculture who took charge of the entire formation of this regiment, acting with Lieutenant Colonel Smart and Lieutenant Colonel Whitley, and that he violated not only the text of the law and of the regulations, but the spirit of the law and of our military organization, by addressing himself to these two officers charged with the organization of the regiment locally and endeavouring to interfere in order to prevent the nomination of certain officers and secure the appointment of others. My hon. friend, I stated a moment ago did not act as Acting Minister of Militia. The instructions he had from the Minister of Militia was to take that list to Council and have it approved. That was his duty, and I venture to assert and no one in this House will contradict me, that the only place where the Minister of Agriculture might have urged what reasons he had to urge against the appointment of certain men and in favour of the appointment of others was at the Council Board itself. As Minister of Agriculture he had no authority, as an individual member of the government he had no right, to interfere in any way. Under our constitutional system he could have been heard at the Council Board and there have urged what views he saw fit to urge—but no where else. My hon. friend the Minister of Agriculture has accused the leader of the opposition (Mr. R. L. Borden) of violating the decencies of debate in respect of his action with that specific list. Well, I am disposed to violate them to the same extent, because I interpret his dealing with the list exactly the same way as does my hon. friend the leader of the opposition. That list was printed on the 19th of May. At that moment it stood approved by the General Officer Commanding. And, on the 19th of May, according to the record which we have before us, it was brought to Council by my hon. friend the Minister of Agriculture, and on the 19th of May, my hon. friend, without having any information whatever that Mr. Pickel had abandoned his right to his command as major, did erase his name from the list. And according to the record it was on the 19th of May that the erasure took place and the list was passed through Council. Yet, it was only on the 20th of May that my hon. friend the Minister of Agriculture had before him the letter of Lieutenant Colonel Smart in which that gentleman revealed, for the first time, to the Minister of Agriculture, that he had telephoned out to Sweetsburg and had obtained from Dr. Pickel himself his willingness to resign all right to his commission. That is the way I understood it. So that at the moment when this action was taken, at the moment when my hon. friend erased Mr. Pickel's name from that list, at the moment when it passed through Council there had not yet been brought to the Minister of Agriculture the knowledge that in view of the pressure which had been brought to bear upon him Mr. Pickel had abandoned his design of forming a part of the regiment.

Mr. FISHER. The hon. gentleman is stating absolutely the contrary of what I proved within the last half hour.

Mr. MONK. That is not the way in which I understand it, and that is not the way in which the record speaks. But, Sir, I do not wish to incur the reproach of my hon. friend of being a pettifogging lawyer. It is not necessary in my estimation to go fully into these details although they are important, but, Sir, to show that the plea set up in this instance that Mr. Pickel had abandoned all right is not well founded, I may say that it was only when the act was completely accomplished that the fact was brought to the minister's knowledge.

Mr. FISHER. I have stated twice that I had Colonel Smart's letter in my hand, and had read it before I signed the document.

Mr. MONK. Then my hon. friend signed the document on May 20.

Mr. FISHER. Certainly.

Mr. MONK. It bears the date of the 19th.

Mr. FISHER. My hon. friend ignores what I said. It bore the date of the 19th when it was sent to me by Colonel Pinault from the department. It reached my office on the morning of the 20th and was then signed by me.

Mr. MONK. It is dated at the top and the bottom and listed the 19th. These documents are laid before us, and it is not

pettifogging for us to invoke the dates which they bear, but it is not necessary to do so. My hon. friend has not in a manly and courageous way contradicted the important statement contained in Col. Smart's letter to Lord Dundonald. What does he say? He says that from the very inception the Minister of Agriculture interfered with the organization of this regiment. Is it true or is it not that the Minister of Agriculture said that this regiment would not be organized if Mr. Pickel was going to form part of it? That is the important point, because his objection to Mr. Pickel we all know was not his want of military qualification; it was his relationship to Senator Baker. Senator Baker is like a red rag to one of my hon. friend's bulls. Anybody who is related to Senator Baker seems to be for my hon. friend an objectionable man to form part of the militia of this country. What seems to me to be of supreme importance is that there is not by the Minister of Agriculture any categorical contradiction of the statements contained in Col. Smart's letter to Lord Dundonald. We are finally reduced to this that the proposition laid down by my friend the Minister of Agriculture and applauded incessantly by hon. gentlemen opposite is a proposition, which as far as I am concerned, I unreservedly condemn. It is contrary to the best interests of this country, and it is contrary to the interests of the militia that when a regiment is in process of organization political men, having no right under the statute or under the regulations, should interfere with the object avowed here by the Minister of Agriculture to give about an equal balance of both political parties in the construction of that regiment. If we accept that proposition, we may as well abandon every idea of having an effective militia in this country. If we accept that proposition it is perfectly ridiculous for us to spend over $3,000,000 per year on the militia. This government since it has been in power has spent over $10,000,000 on the militia, and this year we are spending $3,000,000. Then it is ridiculous to bring over from the old country a competent man, a man qualified to organize our militia, having no political tendencies himself, desirous only of one thing, to place our militia on a proper military footing, I say that this becomes ridiculous and absurd. If we accept the principle that politics are to have any portion, however small, in the organization of the militia we are laying the foundation of incalculable evil. If it is open to the Minister of Agriculture, why is it not open to every other member of the cabinet, and why is it not open to every member of this House to interfere with the military organization of a regiment, and the military organization of the country? If you admit that principle I say that the money we are spending on the reorganization of the force and in the improvement of our militia system is money absolutely wasted. There are changes proposed in our militia Bill. It is possible that we may improve it, but as long as the law is as it is and as long as we bring here from the old country a military man to command our militia, I say that military man ought to have carte blanche in his work. He is under this government that is not controvertable. There is no question about that. I have seen particularly in the newspapers of my province, some what I should call absurd issues, raised as to the right of the Canadian people to control their own militia organization. That question is not in issue in this case, that for my own part, I feel sincere regret at the extremely harsh and cruel treatment adopted by this government towards Lord Dundonald. It may be a logical consequence of the words which he uttered in Montreal that he has given this government the right to dispose with his services, but I say that in the eyes of the people of this country, if this government found that he had done wrong in that instance, it would have been far more dignified, far more honourable, far more just, to have communicated in plain language its opinion as to Lord Dundonald's conduct to that gentleman without in that abrupt way removing him from the theatre of what I would call his most beneficial actions since some time. I am perfectly sure that when the people of this country come to form a calm and judicial judgment upon the act of this government they will arrive at the conclusion unquestionably that he has been harshly treated and that in view of the role, the very ignominous role played in this whole transaction by my hon. friend the Minister of Agriculture, the recourse to dismissal was a cruel and revengeful course which will be condemned by the people of this country.

Hon. Sir FREDERICK BORDEN (Minister of Militia and Defence). Mr. Speaker, the hon. member for Jacques Cartier (Mr. Monk) saw fit to begin his oration by what I should think the hon. gentleman would have considered a most unworthy sneer at my hon. friend who sits on my left, the Minister of Agriculture (Mr. Fisher) by referring to his chickens and certain matters connected with the department over which he so ably presides. I want to tell my hon. friend that my hon. friend the Minister of Agriculture occupies too important a place in the affections and regard of the people of this country to merit any sneers from him or from anybody else in regard to the duties which he discharges. My hon. friend the Minister of Agriculture does not need a champion in me. My hon. friend has made a statement here coolly, calmly and ably today which, I am sure, will carry conviction to the people of this country as it has carried conviction to every independent man in this House who has listened to him.

I will refer to a few points to which the hon. member for Jacques Cartier has alluded.

The hon. gentleman began by declaring himself to be a champion of that much injured nobleman, Lord Dundonald. He wished it to be distinctly understood that he was here, at least as one friend, to stand by the Earl of Dundonald, but beyond that announcement with a good deal of sound and fury we heard scarcely any word in reference to Lord Dundonald. He was leading up, I supposed, to prove that Lord Dundonald's course was absolutely constitutional; but he had not gone far before he changed his mind, and he ended his speech by admitting, if words mean anything, that the course pursued by Lord Dundonald could not be defended, though at the same time claiming that our treatment of him was somewhat harsh. So it is understood that there is no question in this House as to the fact that the act committed by Lord Dundonald was absolutely indefensible and in violation of every rule which controls an officer of the government; and that it was such as could not be overlooked by the government of this country. The hon. gentleman declared himself to be the champion of Lord Dundonald although he forgot to perform the task which he had undertaken. It occurred to me that there might be a bond of sympathy between the two gentlemen. The hon. gentleman has been suffering recently. He had his head cut off not very long ago and he can more fully sympathize with the Earl now in trouble and difficulty. It was chivalrous indeed for the hon. gentleman to come forward at this moment, feeling as he does the deepest sympathy, and being desirous of making known the fact that he realized his own position and is ready to sympathize with another who is similarly situated. But the difference is that the hon. gentleman was disciplined by his own friends voluntarily, and of course he will hardly confess that he deserved it, as he is bound to admit that his friend whom he is championing did deserve what he got.

Let me refer for a few moments to the observations which my hon. friend has made in reference to this case. He says at the outset that the dinner which Lord Dundonald attended was not a public dinner, that he was in the city of Montreal attending to his duties, that he was invited to dine with some friends and that it was at a private dinner that all this occurred. How is it that at this private dinner Lord Dundonald had a newspaper reporter present, paid to be there, and that every word that was said was taken down by that newspaper reporter, although next morning an attempt was made, and successfully made, to prevent the publication of these notes in the Montreal 'Gazette.'

Mr. MONK. Does the hon. gentleman say that the General Officer Commanding had a newspaper reporter there paid to report his speech ?

Sir F. W. BORDEN.

Sir FREDERICK BORDEN. I am so informed.

Some hon. MEMBERS. Oh, oh.

Sir FREDERICK BORDEN. I have no personal knowledge. At any rate we have this curious fact that the only version of what was stated at the dinner, which Lord Dundonald admits to be authentic, was the version which was reported by that reporter. But, Sir, he told us that Lord Dundonald was in Montreal attending to his duties. We have read the correspondence which has been laid on the table of the House, and we have heard the statement which Lord Dundonald had read to this House by a prominent member of the opposition, and from that we have learned that Lord Dundonald went to Montreal for what purpose ? To see Colonel Smart and to ask Colonel Smart to write a letter—a letter which is published in Lord Dundonald's statement—and he went to Montreal to bring together some of his subordinate officers in order that he might hunt up evidence to found a charge against my hon. friend the Minister of Agriculture and against this government. When he came to make that charge and to make that speech, how fair was he, how honourable was he when by his own admission he knew that my hon. friend, the Minister of Agriculture, was acting for me at the council board, when he knew that my hon. friend had in his hands at the time he erased the name of Pickel from the 'Gazette,' a letter from Colonel Smart—when he knew all these things he made his speech at that dinner, which speech was taken down by his reporter, and he carefully avoided giving his hearers to understand the truth in reference to these facts ?

Mr. HAGGART. Does the hon. gentleman say that Lord Dundonald knew of the erasure before it went to Council ?

Sir FREDERICK BORDEN. No, I said that at the time Lord Dundonald made his speech in Montreal he knew that my hon. colleague had in his hands a letter from Colonel Smart not only authorizing, but asking, my hon. friend to make that erasure.

Mr. R. L. BORDEN. Did my hon. friend the Minister of Militia and Defence not understand from the hon. Minister of Agriculture this evening, as I understand from him, that before that letter had been received it had been arranged between him and Colonel Smart that the name should be struck out ?

Sir FREDERICK BORDEN. I do not know that that has any bearing upon the point. What I say is that when Lord Dundonald made the statement at that banquet, finding fault with the Minister of Agriculture, charging him with altering a document improperly, he knew that the Minister of Agriculture was acting for me, and he knew that the Minister of Agricul-

ture had the authority of the officer commanding the regiment to strike out that name.

My hon. friend (Mr. Monk) has referred to as cruel, the manner in which Lord Dundonald has been treated ; and he says that this cruel treatment was because Lord Dundonald was notified of his dismissal by a cold every-day telegram. I would like to ask my hon. friend (Mr. Monk) what other means was in the hands of the government or myself by which to inform Lord Dundonald——

Mr. MONK. As I have stated, when an officer of that rank is dismissed, a member of the headquarters staff is sent by special letter to bring him the message.

Sir FREDERICK BORDEN. Seeing that Lord Dundonald was attending to the camp, where he had gone against my advice——

Mr. SAM. HUGHES. May I ask the hon. gentleman a question ?

Some hon. MEMBERS. Sit down.

Sir FREDERICK BORDEN. I can lay that letter on the table of the House if it is desired.

Mr. SAM. HUGHES. May I ask a question ? Did the minister advise Lord Dundonald not to go to the London camp ?

Sir FREDERICK BORDEN. I did.

Mr. SAM. HUGHES. Hold on—before the Order in Council was passed dismissing him ?

Sir FREDERICK BORDEN. Yes.

Mr. SAM. HUGHES. Then you prejudged the case.

Sir FREDERICK BORDEN. No ; my mind was made up.

Some hon. MEMBERS. Hear, hear.

Mr. TISDALE. Will my hon. friend allow me——

Some hon. MEMBERS. Order.

Mr. TISDALE. If you have any objection, I do not wish to interrupt. It was not quite plain whether the minister said he did not understand that it was the custom of the War Office to send a special messenger on such occasions.

Sir FREDERICK BORDEN. Well, it is a mere matter of three or four hours' journey for the War Office to send a messenger to any of the principal commands in the British Isles, but here it was a matter of a great many hundred miles, and it seemed to me the greatest possible act of kindness to let Lord Dundonald know at the earliest possible moment what had taken place, in order that he might not be in an awkward or unpleasant position. To prevent his getting into that position, after consulting the Prime Minister, and as soon as I heard that Lord Dundonald intended to go to the camp, I sent a polite note to him telling him that I had heard that he proposed going to the camp, and suggesting the propriety—these were the words I used—suggesting the propriety of his postponing his visit to that camp. I got an answer from him at eleven o'clock that night practically to this effect : That if I had said 'you must not go,' he would not have gone, but because I did not say so, he proposed to go ; and he went. Therefore, it was necessary to send him a telegram, and if there was any great cruelty in that, I only wish to say that it was not intended. Our motives were absolutely the opposite of any unkindness or cruelty.

Now, the hon. gentleman (Mr. Monk) has said that Lord Dundonald had no quarrel with me, and that it was only the Minister of Agriculture with whom he had the quarrel.

Mr. MONK. I beg my hon. friend's pardon ; I did not say that. I said the Minister of Agriculture had not laid the grievance before you, or before the General Officer Commanding ; he seemed to have himself dealt with Colonel Smart.

Sir FREDERICK BORDEN. I took the words of my hon. friend down : that Lord Dundonald worked harmoniously with me, and the hon. gentleman (Mr. Monk) did me the honour to read a speech of mine in proof of that. He read that speech to show that the official course of events was absolutely calm and without a ripple on its surface, except for this difficulty with the Minister of Agriculture. Well, surely my hon. friend (Mr. Monk) understands that when an officer of the government makes an attack such as Lord Dundonald made upon my hon. friend the Minister of Agriculture ; a most unfair attack, as I have shown ; a most misleading attack, as I have shown ; and when that officer attacks the whole government at the same time ; surely my hon. friend does not expect that the Minister of Militia, at the head of the department in which this official is an officer, is not to be affected by what the General Officer Commanding said under such circumstances.

I will show later on exactly the attitude of that gentleman towards this government and towards myself, although I am quite prepared to admit that I misunderstood him. I made the speech which the hon. gentleman has quoted to-night. That speech may not do much credit to my head, or to my discernment, or to my brains, but I think it will be admitted that it does some credit to my heart, and that it proves, at any rate, that, so far as I was concerned, I was willing to do my very best to get along comfortably and satisfactorily with Lord Dundonald. I also was speaking to a meeting of officers at a dinner in Montreal, at which all the guests were, I believe, officers. But, instead of following the tactics of Lord Dundonald, by which he endeavoured to pre-

judice these officers against those in authority, I took advantage of the occasion to endeavour to assist the General Officer Commanding.

My hon. friend (Mr. Monk) ventured the statement at the outset that the General Officer Commanding in Canada occupied a special position. He undertook to elaborate that argument, but I did not observe that he arrived at any conclusion. I followed him very closely, because I thought I was going to learn some new constitutional doctrine. I thought I was going to hear announced again, as used to be claimed many years ago, that because the officer who commands the militia of this country, under the laws of this country, must be, under the present law, an imperial officer, that therefore, by virtue of that fact, the General Officer Commanding possessed some special power with reference to the Canadian militia. I am glad to know that the hon. gentleman (Mr. Monk) did not go to that extent, and so we are all agreed once more that there is no constitutional question at issue. If it were necessary to prove that there is no constitutional question at issue it could be easily done.

I have here under my hand quotations from speeches of some of the great men who have occupied the position of Secretary of State for War in England. I will not detain the House with them now; but both the Right Hon. Hugh C. Childers and Lord Cardwell, who occupied that positiion with great honour and distinction, have laid down most distinctly, and to-day there is no question about it, the proposition that the minister has absolute control of every officer, including the Commander in Chief, in the War Office. You could not carry on government otherwise. It would be an absurdity. If the General Officer Commanding is to have these extraordinary powers, why should not a deputy minister have them? Carry that idea out to its legitimate conclusion, and you would have not government, but chaos in the affairs of the country. So it is not worth while to waste time discussing it.

Mr. TISDALE. I think the hon. gentleman had better discuss it fully, for later on I may deal with it.

Sir FREDERICK BORDEN. I will read two of the authorities. First, I will read an extract from a speech of the Right Hon. Hugh C. Childers, delivered in 1882. It is to be found in a book entitled 'Life of Right Hon. H. C. Childers,' second volume, at page 56:

> It has been suggested that of late years successive Secretaries of State for War have, in the government of the army, been encroaching on the functions of others. The army, these critics say, is the army of the Crown; we, Secretaries of State forsooth, want to make it the army of the House of Commons. The Crown, they say, governs the army through the Commander in Chief. The Secretary of State is a mere financial officer, who has gradually intruded on the province of the Crown by means of the power of the purse.
>
> Now, gentlemen, I am bound to tell you that all this is a mere delusion. These writers ought to reflect that to no one can the wrongful attribution of power be more distasteful than the sovereign herself. The Queen, gentlemen, as she is the most just and wise, so is she the most constitutional of sovereigns. The Queen is the undoubted head of the army; she is also the head of the navy, and of every branch of the public service. As such she can do no wrong. But she does no wrong for the express reason that all her acts are the acts of her responsible ministers. The doctrine of personal government which you have seen so undisguisedly claimed in Prussia within the last few days is absolutely unknown to our constitution.
>
> This is not a matter of custom or unwritten law. The functions of the Secretary of State for War, as 'administering the royal authority and prerogative in respect of the army,' are laid down with great precision by the Order of the Queen in Council of June, 1870. Under him there are three great departments, the heads of which are equally responsible to him; the Commander in Chief for the Military Department, the Surveyor General for the Ordnance and Supply Department, the Financial Secretary for the Finance Department. No act of discipline can be exercised, no appointment or promotion can be made, no troops can be moved, no payments can be made, without the approval, expressed or implied, of the Secretary of State. To say that the Secretary of State has no controlling power in such matters, when he is responsible to parliament for any improper exercise of the Queen's prerogative in regard to them is manifestly absurd. On this subject I have never known any misapprehension within the walls of the War Office or in Parliament. . . .

I will also read an extract from a book entitled 'Lord Cardwell at the War Office,' by Sir Robert Biddulph, at page 239:

> Thus was the question of the royal prerogative with regard to the command of the army placed on a constitutional basis. 'The General Commanding-in-Chief was formally declared to be a subordinate of the Minister of War'; and that minister was declared to be the channel through whom the Sovereign's commands were to be conveyed to the army.
>
> All military work hitherto done at the War Office was transferred to the Horse Guards, both offices being made one, so that correspondence between the two offices should cease; it being clearly understood that no question should arise to prevent the Secretary of State from sending for any officer or any clerk in any military office, if he wished to examine him on a question of doubt.
>
> Under the British constitution, the Secretary of State is necessarily a member of parliament, and must usually be a civilian, and therefore without that sort of knowledge that pertains to a life spent in the military service. This is an unavoidable result of our parliamentary system, and as it could not be changed, it was necessary to make the best arrangement for working it. To this end, it

appeared to Lord Cardwell that the Secretary of State should surround himself with the best officers in the army as the heads of the various departments, so that after freely consulting them he could form a sound judgment and come to a clear conclusion upon the great questions submitted for his decision.

The hon. gentleman has said a great deal about my hon. friend the Minister of Agriculture not having any power to act as Minister of Militia. Well, in answer to that, I would ask him whether the act which my hon. friend did is valid or invalid. If it is valid, I presume he had the power.

My hon. friend has also said that no minister outside of the Minister of Militia, no politician—no political man, to use his own words—has any right to advise or to use any influence in connection with the organization of a corps of militia. Well, it seems to me that no more absurd proposition could be put forward. If we were dealing with a regular army, I could understand that. But we are dealing with a militia force, with a citizen army, not a regular army. We have no regular army. We must look to the people of this country to build up our militia, and we must look to the influential men. We want the co-operation and assistance of the influential men throughout Canada to assist us in building up the militia; and can you find an influential man in Canada—I was going to say a man worth his salt—who has not some political views or ideas? I think it would be very difficut to find one; and the practice in this country, in organizing new corps, has been to go at once to the most influential man in the county and enlist his influence.

In the organization of the militia in 1868, in which I took part, I remember very well that the man who was selected in my own county to organize the regiment, of which I became a member afterwards and which exists to this day in that county, was a member of parliament. And in every county of Nova Scotia some prominent man was selected to organize the militia in that county immediately after confederation. The same course, I presume, was followed in every other part of the Dominion. Of necessity such a course had to be followed. Are we to be told, then, that because my hon. friend happens to be a member for one of the eastern township counties and a member of the cabinet living in the eastern townships and consequently specially charged with looking after the welfare of that section of country, he is therefore to be excluded from taking any part in the organization of an important militia corps in that community? I should say that that was a very good reason why his co-operation and assistance should be in such an important work. At any rate, such is the course which had always hitherto been followed; and right here let me point out the difference between ordinary promotions and ordinary appointments in the regular course and the establishment and organization of a corps which had heretofore no existence. Why, hon. gentlemen opposite seem to have lost their heads over this matter. The General Officer Commanding ought to have known better. Had he reflected, he would have known that in Great Britain, whenever a volunteer corps is to be organized, whenever a corps of yeomanry is to be established, the lord-lieutenant of the county is the man in whose hands the law has placed the giving of these official positions.

Mr. HAGGART. Hear, hear.

Sir FREDERICK BORDEN. And who is the lord-lieutenant? He is an appointee of the government of the day.

Mr. HAGGART. Hear, hear.

Sir FREDERICK BORDEN. I wish merely to add that, so far from receding, so far from refusing to accept full responsibility, I wish it to be considered that I have accepted to the fullest extent responsibility for everything my hon. colleague has done. The only thing that I regret is that I happened to be away from Ottawa in the city of Boston for five or six weeks at the beginning of this year, during which period the organization of this corps was taken up. Had I been here, I woud have spoken to my hon. friend and very likely the unfortunate difficulties which have occurred might not have taken place.

Some hon. MEMBERS. Hear, hear.

Sir FREDERICK BORDEN. Another fact worth noting is this. The General Officer Commanding, instead of pursuing the usual course,—a course which I never knew to have been departed from previously,—instead of going to the District Officer Commanding in the district in which this corps was to be organized, saw fit to go outside of the district altogether and call to his assistance gentlemen who were not citizens of that particular district. I am not objecting to the officers he chose as his advisers, but I do say that he ought to have placed the organization of this corps chiefly under the control and management of the District Officer Commanding in the district in which it was to be organized. Why he departed from this sound rule I do not know. Why this stickler for propriety and etiquette, who has suffered so much during his two years residence in Ottawa from the lack of regard for etiquette, should have chosen to depart from this good, sound rule and thus administer an unjustifiable and unmerited snub to the District Officer Commanding in that district, I am at a loss to know. He did, however, depart from that rule. The District Officer Commanding in that district happens to be a worthy French Canadian, and I am not aware whether that

fact had anything to do with the general's taking the course he did or not. I certainly hope it had not.

Mr. SAM. HUGHES. Are we to understand that Colonel Roy, who is the District Officer Commanding in the division, had no part in the organization of that regiment ?

Sir FREDERICK BORDEN. Nothing, except——

Mr. SAM. HUGHES. I have data to the contrary.

Sir FREDERICK BORDEN. I know that the hon. gentleman is very well versed in these matters, but I can tell him that Colonel Roy was simply made use of as a means of registering or passing papers from Colonel Smart and Colonel Whitley to the General and back again. That was all.

Mr. R. L. BORDEN. I would like to ask whether the hon. minister will inquire of Colonel Roy whether or not he took any part in the organization of this regiment. I have heard that he did, and I think that my hon. friend, if he makes inquiry, may perhaps find correspondence to show that he did. I think it is as well we should be under no misapprehension about it, particularly as the minister has suggested—for some reason I cannot comprehend—that Colonel Roy was overlooked in some way because he is a French Canadian. I do not know that Lord Dundonald was worthy of that reflection on his character.

Sir FREDERICK BORDEN. We will investigate as to his worth as we go on. The concluding part of my hon. friend's remarks and the only part in which he seemed to pay very much attention to the general, whose cause he has offered to champion, consisted of the statement that he thought such an eminent soldier, when he was brought out to this country to take charge of our militia affairs, should have been given carte blanche to do as he liked. Well, I do not believe that my hon. friend's leader would approve of that theory, I do not know. But he might find himself getting into somewhat deep water if he were to follow such a liberal course as that.

Now, Mr. Speaker, since the broader question has inevitably come under review, it will be expected that I should devote some attention to the pronunciamento or address which the late General Officer Commanding has seen fit to issue to the people of Canada. My hon. friend the Minister of Agriculture (Mr. Fisher) has referred to some of the interesting portions of this address, this appeal from the government to the people of Canada.

Mr. SAM. HUGHES. Mr. Speaker, if the minister would permit me—I do not wish to raise the point of order, though I must say I do not think that the point he is now discussing is relevant. It has nothing to do with the conduct of the Minister of Agriculture. But my point in the matter is this—that the Minister of Militia will have, at a very early day, ample opportunity in this House, and on a similar motion to this, to discuss the document to which he refers.

Sir FREDERICK BORDEN. Mr. Speaker, I think that if there were no other reasons, the House would agree with me that the nature of the document to which I refer, its references to myself, would be a sufficient justification for me to take advantage of the very earliest opportunity to discuss it. We will take advantage of the other opportunities also when they arise. Now, Sir, I observe that the concluding words of the resolution we are now discussing are as follows :

> The House regrets that this unwarrantable interference approved by the government not only has unduly delayed the organization of the regiment, but has culminated in depriving the militia of Canada of an experienced and distinguished commanding officer.

Well, now, as my hon. colleague (Mr. Fisher) has pointed out, this statement, this address to the people of Canada, states otherwise. This address to the people of Canada contains statements which the people of Canada no doubt, will read with surprise, after having read the speech in Montreal and after having read the letter to me, in answer to the inquiry I made in reference to that speech, in which the ex-Commanding Officer declared that he had no notes on that occasion with reference to the question which we have been discussing here tonight. And also they must have been surprised when they learned of the tremendous effort that was made to suppress and prevent the publication of the report of that speech at Montreal. But I suppose they are bound to believe the statement which this gentleman makes in the calm of his own office, and, evidently after very careful consideration and deliberation. In this statement he tells us that the speech at Montreal was no sudden ebulition, but that he had gone down there with the greatest deliberation and with the intention of precipitating the crisis which he had been carefully watching for an opportunity to precipitate for months, if not for years. And one cannot help trying to understand the mental, not to say the moral, make-up of the man who, while having this in mind, goes every day to his office, meets his chief day after day ; proffers him the hand of friendship—or professes to—writes him polite notes ; professes to be engaged in full sympathy with him ; and occasionally even indulges in paying him a compliment;—I say it is difficult to understand the mental and moral make-up of the man who could do that and carry it on, not for days, nor for weeks, but, confessedly, for months. And what is the object which the gentleman states as the justification for this course ?

Oh, his object was to save not exactly his country, but this benighted country of Canada. He was to be the saviour of this country. And one can imagine the stress under which this high-minded nobleman, day after day felt impelled to go to his work, acting this double part, even though he did it because of the great benefit which he was going to confer upon this country of his temporary adoption. I do not think we need to go much further in order, I will not say to understand, but to wonder at, the condition of mind in which such a man must have been. And we cannot go very far in that line of reflection and investigation without being satisfied that the people of Canada, at any rate, do not want public servants of that kind.

He begins this extraordinary document in these words :

> Considering it desirable that I should lay before the people of Canada a statement of my position with reference to the difficulty between myself and the government of Canada.

'Myself.' 'Myself and the government of Canada.' In that phrase you have the explanation of the whole difficulty. A more highly concentrated exhibition of egotism and self-assertion than is to be found in these words, cannot, I believe, be found in the English language. 'Myself.' Who is this gentleman who speaks of himself first and the government of Canada afterwards ? Why, Mr. Speaker, it is almost necessary to have the Order in Council before one to enable one to believe—in view of the words I have just read—that this gentleman was appointed by Order in Council of the very same government, approved by His Excellency the Governor General, to an official position under the Minister of Militia in July, 1902. But the gentleman is going to take charge of things in this country ! Well, let me say this Mr. Speaker, the gentleman has one thing to learn before he can become dictator. Before he governs Canada he must learn to govern himself. The hon. gentleman is precipitating in this country, or trying to—I do not think it can last very long—the kind of conflict of which history tells us, conflicts which were of frequent occurrence about two centuries ago, when there was a constant struggle for supremacy between the military and the civil side of society. Happily that question was settled in all Anglo-Saxon countries, settled in the mother country one hundred years ago. I do not think we need fear that a campaign of that kind will proceed very far in this country.

The manifesto makes several references to myself which I think I should deal with now, at the very earliest opportunity which has presented itself. He has said that he did not seek to impose his policy, but simply wished to take control—because he used the word 'control,' of the technical administration of the department. Well, I do not know what he calls policy, but I should suppose that any development of the militia in this country which involves a large expenditure of money would be considered to be a question of policy ; with those questions the government felt under obligation to deal, and in dealing with those questions, I am bound to say I have had the greatest difficulty in the world in keeping this officer anywhere within bounds, as I shall attempt to prove as I proceed.

He has divided his attack upon the administration into two parts. On the one hand he charges interference ; on the other hand he charges indifference, two things which do not logically come together. But the late General Officer Commanding is not always logical any more than he is always considerate of the absolute, literal truth of the statements he makes. He says that he was subjected to interference. Interference, forsooth. Interference by whom ? Interference by the regularly constituted authorities of the people of this country, interference by the government of the country, the representatives of the people, the people who were paying him for the services which he was supposed to be giving. Well, let us see in what respects he attempts to make good these charges. As one of the reasons why he wished to 'let daylight' into the proceedings of the Militia Department, &c., he refers to the fact that a new militia law was about to be introduced. These are the words he used :

> I realized moreover that the new Militia Bill would soon be discussed in parliament and that it was my duty to give a warning of certain dangers before it was too late.

Not to his minister, not to the government —because, if he could not get my ear, he might have gone to the Prime Minister—but he must make an appeal to the people, because, forsooth, in my wisdom I saw fit to introduce into this House a much needed Militia Bill and was about to put it through. What was the matter with the General Officer Commanding ? He saw in that Bill and learned from my statements in this House that I approved of a new system which has been adopted in England, by which the services of the Commander in Chief are dispensed with, and he took alarm, and was determined, without making an effort to convince me that I was wrong in my proposal, to appeal over my head and beyond the government, to the people, in order to prevent me from carrying the Militia Bill through this House.

The first charge which he makes is that Part II of his annual report was suppressed, that is, his report of 1902. He says :

> One extremely serious case of interference was the suppression of the important parts of my first annual report on the militia. After studying the situation with great care, I came to certain conclusions, and thought out certain

plans. For convenience of reference I divided my report for the year 1902 into two halves. Part I. was a simple diary of events. Part II. contained my description of the condition of the militia, and an outline of a comprehensive scheme for reorganizing the force upon lines suitable to the country. This part was fully intended by me for publication. It contained nothing that could be described as a military secret. It covered matter such as is constantly made public in Great Britain and the United States. In my judgment it was information as to the actual condition and possibilities of the militia which it was desirable for the people of Canada to know.

This part of the report Sir Frederick Borden suppressed against my protest.

Mark these words 'against my protest.'

In the House of Commons at various times he described this part of the report as 'private.'

Mark that word 'private.'

'Confidential' and 'secret.' It was neither private,—

Mark that.

'Confidential' nor 'secret.' When the minister made these statements he had been explicitly informed by me that I desired its publication. He went so far on one occasion as to compare the report to the secret report on Canadian defence.

With that report my report had no analogy.

That is so far as the first report is concerned. What are the facts? The facts I will endeavour as briefly as possible to place before the House. It will be remembered that last year a question was put upon the order paper by the hon. member for North Victoria (Mr. Hughes) and answered by me. I have the reference from 'Hansard' here. I will not read them but the question was substantially this: It has been stated in the English and Canadian papers that a report had been written by the General Officer Commanding which had not been printed, and I was asked whether it was my intention to print it. I gave as the reason why it had not been printed, that I considered the document to be confidential and I proposed to treat it in that way. Later on my hon. friend from South Norfolk (Mr. Tisdale) brought the matter up in the House and asked some question and I replied to him in the same sense. I stated that I would be very glad to submit the report to a committee of the House, composed of the hon. leader of the opposition and any hon. gentleman whom he might name, together with some hon. gentlemen on this side of the House who might be interested in the matter. I took the ground, which I am sure would have been taken in England under similar circumstances, that this was a report not then, at any rate, proper to be published and I gave my reasons. Lord Dundonald states that he urged the publication, that he protested against the refusal of its publication and that it was not marked by him 'private.' I do not know that it would matter very much, although, as a matter of fact, I will be able to show that it was marked 'private.' But, that does not matter because I am the judge, I think, as the responsible minister to the people of this country, whether a report should be published or not or when it should be published.

Mr. LENNOX. It does not apply to the railway company.

Sir FREDERICK BORDEN. What does the hon. gentleman (Mr. Lennox) say?

Mr. LENNOX. It does not apply to the railway company.

Mr. HEYD. He would be sure to say something foolish.

Sir FREDERICK BORDEN. I do not know what the hon. gentleman (Mr. Lennox) means. I have here the correspondence which passed between Lord Dundonald and myself in reference to this report.

Mr. INGRAM. I would like to ask the hon. gentleman a question.

Sir FREDERICK BORDEN. Yes.

Mr. INGRAM. The hon. gentleman did not bring that report down to parliament last session. Has anything been stated to the public or has anything been stated outside of this parliament in connection with that document other than what the hon. gentleman stated last year during the session?

Sir FREDERICK BORDEN. Not by me, but I think that by the General Officer Commanding a good deal has been stated.

Mr. INGRAM. I beg the hon. gentleman's pardon. What I wish to know is: Was there any statement to the effect that a very expensive scheme had been laid down by the major general and was that authorized by the hon. gentleman to be stated publicly outside of this parliament or inside of this parliament?

Sir FREDERICK BORDEN. I said nothing about an expensive scheme that I am aware of.

Mr. INGRAM. And the hon. gentleman did not authorize his department to do so?

Sir FREDERICK BORDEN. A statement was made in the newspapers and by some extraordinary and mysterious method reports of what is going on in the Militia Department have frequently been published in England and before they were published in this country.

Mr. INGRAM. Is that how the 'Globe' got it?

Sir FREDERICK BORDEN. I do not know. It was not stated by me or with

my authority. But, here is the fact; this letter is the covering letter of this report. It is a letter from Lord Dundonald to me. I have secured from Lord Dundonald consent to publish this letter. I could not do it until I had secured that consent because it was marked 'private.' It is as follows:

Creichton Lodge.
Ottawa, Jan. 29, 1903.

'Private.'

Dear Sir Frederick,—I am sending you with this my report for the year 1902. I only received the last of the sub-reports to me last Saturday—there has been, as you are aware, a great deal of work involved, first in becoming acquainted with a system, then in discovering its weaknesses, then in suggesting remedies for improvement. I hope that the recommendations I make will commend themselves to you. I think they will, as from our conversations I believe we agree on many essential points. I don't think the country can obtain a cheaper or more efficient system for money expended than the one outlined, if only you can see your way to get it adopted and the proper funds voted.

I am still confined to the house but hope to get out to-morrow and shall look forward to seeing you Monday at latest if convenient to you.

Yours very truly,
(Sgd.) DUNDONALD.

This is the covering letter of the report under consideration marked 'private.' On the 31st of January, two days later I wrote the following letter marked 'private' also:

Ottawa, 31st Jan., 1904.

Dear Lord Dundonald,—I have carefully read your very interesting and able report. I don't know whether you intend Part II to form part of the annual report of the Minister of Militia and Defence for this year (i.e. 1902), but I am afraid it would not do to put forward a scheme which has not yet been considered as a whole, even by the minister, and of which the other members of the cabinet have as yet had absolutely no opportunity of knowing anything. Besides, there is the very grave question of propriety of giving such a scheme to the world; at any rate, in such detail. Furthermore, you are aware that a scheme was recommended by the Defence Committee of 1898, approved by the War Office and adopted by the Canadian government. I think it will be necessary to carefully compare your proposals with those of the committee.

Then there is the financial question. It is absolutely necessary that I should have a carefully prepared estimate of the cost involved in your proposals before they can be considered by the government. Will you kindly furnish this at your earliest convenience?

It seems to me that your Report II should be considered as a confidential paper for the information of the minister and of the cabinet, and I trust you will see the force of this and of the other reasons I have given against publication, at any rate at this time.

I shall be glad to see you on Tuesday next if convenient for you, when we can perhaps settle upon what should be published as part of the annual report.

Yours very truly,
(Sgd.) F. W. BORDEN.

On the 11th of February I received this note:

Dear Sir Frederick,—Yes, I will let you have the report with slight amendments as suggested almost at once. Will you let me have the part you have, and I will let you have the whole back in a few hours?

Yours very truly,
(Sgd.) DUNDONALD.

I sent the report at once. On the 21st of February I still was without the report and I wrote this letter:

Dear Lord Dundonald,—I would like to again call attention to my letter of the 31st ultimo dealing with your annual report. After very careful consideration of the matter since that letter was written, I am more than ever convinced of the correctness of the views therein expressed.

It is quite outside the province of an annual departmental report to propound a scheme or policy of defence, and therefore I must ask you to be good enough to omit Part II (so called) from your report, and to amend Part I accordingly.

I shall be quite ready, however, to approve of the insertion in your annual report of a clause stating that you have prepared for my information a scheme which you think would (to use the words of the heading to Part II.) 'conduce to the greater efficiency of the militia as a fighting force.'

May I ask, therefore, that the annual report be amended as above suggested, and placed in my hands to-day, so that it may go to the printer.

Yours very truly,
(Sgd.) F. W. BORDEN.

On the 28th of February I received this note:

Dear Sir Frederick—I return the report divided as you wish. There was a difficulty in getting the work done Saturday, owing to the day being a half holiday.

Very truly,
(Sgd.) DUNDONALD.

P.S.—I go to Kingston at 11 a.m. to visit the Royal Military College, &c.

Here is another letter of mine:

February 23rd, 1903.

Dear Lord Dundonald,—Thanks for your letter of this date and the amended annual report.

I have been obliged to make a few unimportant changes, which cannot be delayed for your return from Kingston.

Yours very truly
(Sgd.) F. W. BORDEN.

That ended the incident, so far as the report was concerned; but on the 3rd of March I wrote the following letter:

Major General,
The Earl of Dundonald,
Ottawa.

My dear Lord Dundonald,—Will you be good enough to have the financial statement, showing approximate expense involved in your plan of reorganizaion of the militia, completed and sent in to me as soon as possible. I wish to discuss this and other matters pertaining to them

with my colleagues and cannot do so without the memorandum showing the cost.

Instead of making the statement simply to show the additions, I would be glad if you would show the whole expenditure on capital and income account, respectively, under your proposals.

Yours very truly,
(Sgd.) F. W. BORDEN.

Now, that is the record. Does that record bear out the statement which this right hon. gentleman has seen fit to make in this address of his to the people of Canada ?

Some hon. MEMBERS. No.

Mr. CASGRAIN. Yes.

Sir FREDERICK BORDEN. Who says 'yes' ?

Mr. CASGRAIN. I do.

Sir FREDERICK BORDEN. In the first place, he says that I suppressed the report. Well, I think I can now be relieved from a charge of that kind. He says that it was in no sense private. Well, it was marked 'private.'

Mr. SAM. HUGHES. The report ?

Sir FREDERICK BORDEN. The letter covering the report.

Mr. SPROULE. Is not the gist of your letter to the General Officer Commanding that such a report could not be well given to the public, because it was not considered by the cabinet, and, even though it were considered, it would not be wise to give it ?

Sir FREDERICK BORDEN. He sent me his report under cover of a private letter. He says that he protested. If he protested I never received his protest. Now, I think, for a gentleman to make such an unwarranted statement as that to the public of Canada, charging me with the suppression of public documents, with misusing a document and misleading this House and the country, is rather a serious matter, and one which is perhaps the most serious and grave offence which he has committed.

Mr. MONK. May I ask my hon. friend if we will have that report ?

Sir FREDERICK BORDEN. I will come to that before I get through.

Mr. SAM. HUGHES. The Toronto 'Globe' has it already.

Sir FREDERICK BORDEN. We have heard a good deal about coincidences, and we have some coincidences in this connection. A persistent demand for this report has come from gentlemen on the opposite side of the House, and there have been references to it in the English papers, which, I say, did not come from me, or from any officer in my department, so far as I know —unless it came from the General Officer Commanding himself.

Mr. KEMP. That is not fair.

Some hon. MEMBERS. It is fair.

Sir FREDERICK BORDEN. Just here I may be permitted to record a complaint against certain of the newspapers in this country for their treatment of me in this matter. I am not in the habit of making complaints of this kind ; in fact, I am bound to say that I never have had very much reason to ; but it seems to me somewhat unfair—not to characterize it in a stronger way—and it seems a coincidence also, that the newspaper which first published the authorized edition of this manifesto has referred to me in its editorial column in these words, speaking of Lord Dundonald's statement :

That means that Sir Frederick Borden lied—lied from his seat in the House, lied in an official statement to the House.

From the Toronto 'News,' June 20th ; J. S. Willison, managing director. I had expected different treatment from that source ; from any source. I did not suppose that any newspaper edited outside of Billingsgate could indulge in language of that kind. And this is a paper which assumes a high moral tone in this country ; a paper which was started to show the every-day people of Canada, who did not know anything about their work—such as my hon. friend of the 'World,' for instance—how to run a newspaper. This is the man who is posing as being too good to edit the Toronto 'Globe' any longer. He got out of that ; he was to be translated to a higher sphere. The 'Globe' never published such a contemptible reference to any man on any side of politics in this country, I am happy to say. If it had no regard for me, if it had no regard for itself, if it had no regard for the amenities and decencies of life, it should have some regard and some respect for the position which, for the time being, I have the honour to hold in this country.

Now, Mr. Speaker, the next charge is that I refused to publish Lord Dundonald's second report of the year 1903. I have his letter with reference to that. He wrote the report and sent it to me with the following letter—this time the letter was not marked 'private' :

To Hon. Sir Frederick Borden.

Ottawa, 1st March, 1904.

Dear Sir Frederick Borden,—Herewith I inclose my report for the year 1903. You will observe on page 23 of the report that I make reference to the necessity for reports from the heads of certain important branches. These branches having to do with the supply of material and with the requirements of mobilization, the reports from them should, in my opinion, be published with the report of the General Officer Commanding.

Those that I now inclose—from the quartermaster-general and the director-general of engineer services—appear in my opinion, to be more in the nature of memoranda on matters of a minor nature than reports on the important subjects with which those officers are

appointed to deal, and, perhaps, you would kindly use your discretion as to whether they should go into the blue-book or not. Next year I hope the reports from these officers will be of such a nature that they will be read with interest and be above adverse criticism.

Yours very truly,
(Sgd.) DUNDONALD.

Well, Sir, I read this report, and I found that like its predecessor it contained things which I could not publish. I sent for Lord Dundonald, and I spent a good deal of time with the report, reading over every word of it, and marking in pencil the parts to which I objected. I did not object to the report so much as I objected to the publication of certain portions, and I wished him to amend it, and he, as I supposed, agreed to do so. Some of the objections which I made to it were that it referred to documents which had not been brought down to parliament, which there was no intention to bring down. I informed him that the moment that report was laid on the table of the House, the members of the House would have the right to ask for the documents ; and, as we did not wish to bring the documents down, I did not wish those references put in the report. I pointed out to him several instances in which he had put in his report references to matters which had been before me—matters of detail, matters of routine in the department, matters of very trivial consequence, and matters of principle in which I had differed with him, and to which I had refused to give my consent. I asked him if he proposed to appeal from me to parliament and the people of the country. He agreed to make changes ; he agreed to omit the portions of the report to which I objected. He took it away with him, and, after keeping it nearly three weeks, sent it back. I returned it to him with this letter, by a messenger :

Ottawa, 28th March, 1904.

Dear Lord Dundonald,—Referring to your letter of the 1st instant, I will send you to-day a copy of your report as I propose to have it printed in my annual report. I have omitted certain things and have made a few slight verbal changes which do not in any way alter the meaning. As I have explained to you very fully the reasons for the omissions I am making, I need not go into that matter in this letter.

With reference to the reports from heads of important branches, which you think should be fuller, I am inclined to agree with you, and would feel disposed to print as large a portion of them as possible, and I think the reports should be prepared with that contingency in view.

Yours very truly,
(Sgd.) F. W. BORDEN.

This amended report, which he says was cut and carved, as if he knew nothing about it, was sent to him by a messenger on the 28th of March, and delivered to him. In due course the report went to the printer, and on the 21st of April I received this letter from Lord Dundonald :

Ottawa, April 21st, 1904.

Dear Sir Frederick Borden,—I have just received the printer's proof of my report for 1903 as revised by you for publication and have returned it. While acquiescing in the changes you have made because you so insist, I wish to point out that my true report is the one originally sent in and that the unpublished portion of it is consequently with you as my opinion for the betterment of the force.

Yours very truly,
(Sgd.) DUNDONALD.

There was not anything clandestine or secret about that. I insisted upon my right as the head of the department to say what should appear in my report, and I carried it out ; and I am in the judgment of parliament under the rules of constitutional government, whether I was right or not. Lord Dundonald talks about what is done in England. Who ever heard of a Secretary of State for War being placed in the humiliating position of having a report from his Commander in Chief or some subordinate placed before parliament and before the people, he sitting dumb in his seat, without being the first to announce to parliament and the country, as it is his duty to do, the policy of the government with reference to military matters ? It is absurd, it is monstrous, and nothing could prove more clearly the absolute want of knowledge of that gentleman of the first principle of responsible government. Well, Sir, the 'interference' still went on. The next instance of it was with reference to this celebrated ordnance corps, which has been so beautifully illustrated in a cartoon in one of the daily papers. What does he say about that ? He says :

A more recent instance occurred in connection with the organization of the ordnance corps. The establishment of this corps was fixed at a colonel, a second in command—with the rank of lieutenant-colonel—and three lieutenant-colonels. This was a larger establishment than I would have recommended had I been unhampered ; but Sir Frederick Borden was anxious to have a number of senior and highly-paid posts, and the scheme which he desired was carried out.

Soon after this I went to the Northwest.——

Of course, I would not have dared to do this if he had been here——

—As soon as I had left Ottawa the Minister of Militia ordered the adjutant-general to prepare an order increasing the number of lieutenant-colonels to five, thus giving seven officers of the rank of lieutenant-colonel and upwards to a corps of about 100 men. In this connection it must be remembered that the most elementary requirements of militia were neglected for want of money.

Now, let us see about this. First, by way of parenthesis, let me refer to a corps d'élite, a corps in the organization of which the ex-General Officer Commanding has taken very great pride, and I believe it will be a val-

uable corps. It is a corps known as the Corps of Guides. It is composed of 407 of whom—will you believe it ?—his own particular and special child—169 are officers and 302 non-commissioned officers and men ; whereas in my poor, wretched attempt at a corps, called the ordnance corps, numbering 106, there are only 20 officers and 86 men. In the former one-third of the corps are officers ; in my wretched imitation only one-fifth are officers. But that is only by the way. Now, I want to refer to this ordnance corps. We are told that it was devised and originated by me for the purpose of making some fat places for some favourites ; and the insinuation is made that by promoting two men from the rank of major to the rank of lieutenant-colonel I was consequently increasing their pay.

No more misleading—I do not wish to say maliciously misleading—statement was ever put forward by any man. What are the facts ? They are these. The ordnance corps was divided into districts. The districts were divided into first, second and third-class. The pay, no matter what be the rank, was according to the class of the district. There were seven first-class districts. The pay of these officers was to be $1,600 a year. There was a certain number of second-class districts, the pay in which was to be $1,200 a year ; and a certain number of third-class, in which the pay was to be $1,000. To say, therefore, that the promotion of these two men from the rank of major to that of lieutenant-colonel was for the purpose of giving them additional pay, is a statement absolutely without foundation. But it is my corps, forsooth. What is it? The ordnance corps is simply a branch of the militia which has existed ever since we have had a militia—the stores branch. I explained the change to the House fully a year ago, and let me tell you that in this old stores branch of the militia, before it was organized into the ordnance corps, there were not seven but eleven lieutenant-colonels. I have here the report of the officer formerly at the head of the stores, and now at the head of the ordnance branch, and I think, especially in view of the small sized accusations which are being made against me, that it is of sufficient importance to read. This paper, and mind you, it was penned in June, 1903—a year ago —is entitled 'Memo. for the Minister.'

Having reference to the organization of an Ordnance Stores Corps to be formed, as far as possible from the officers and other employees of the existing military store staff of the department.

It is proposed to classify the different stations as first, second and third-class, according to relative importance as to work and responsibility ; thus Toronto, Kingston, Ottawa, Montreal and Quebec will be rated as first-class ; London, St. John, N.B., and Halifax as second-class; and Victoria, Winnipeg and Charlottetown as third-class stations.

Sir F. W. BORDEN.

It is also proposed that the pay of the officers at the several stations shall correspond with their duties and responsibilities. Thus it will be station and not the rank in the militia which will govern the amount of pay.

It is suggested that the officers of the first-class stations should rank as lieutenant-colonels, those of the second-class as majors and those of the third-class as captains in the militia.

It should be understood that the duties of the officers, whilst they necessarily command the men at their respective stations are almost wholly administrative.

Mr. HAGGART. Did it increase the expenditure any ?

Sir FREDERICK BORDEN. Very trifling. As to the rate of pay :

Comparing the proposed pay of the ordnance officers with that of the members of the civil service, it will be seen that that of the first-class ordnance officer is that of a first-class clerk of two year's standing, that of a second-class ordnance officer not equal to the maximum second-class clerk, and that of the third-class ordnance officer is the same as that of the third-class clerk. According to the present arrangements, the command of the corps will not entail any additional expense.

That is the statement of Colonel Macdonald who is at the head of the stores. I have here, but will not trouble you with the reading of it, the report to the council. I have here a document which shows the changes that were made after the senior officer of the ordnance corps had sent in his report to the General Officer Commanding. It transpired that the general thought seven lieutenant-colonels too many, although there had been eleven before, and for some reason or another he reduced the lieutenant-colonels of the two most important stations in Canada, Quebec and Ottawa, from lieutenant-colonels to majors. I have in my hand the report of the director general of ordnance. The director general of ordnance, under the English regulations and ours, reports to me direct as well as to the general. He is under the supervision of the general but under the control of the minister.I had not observed that in that report there was a change made, but my attention was called to the fact that two of the officers had been reduced. The change did not involve any reduction in their pay, for they got the same as before, but they were reduced from lieutenant-colonels to majors. As soon as I learnt that, I wrote this letter to Lord Aylmer, who was acting in the absence of Lord Dundonald :

November 24th, 1903.

Dear Lord Aylmer,—I am sorry to find that there is a discrimination among the officers of the Ordnance Corps, holding the five senior positions in the first-class districts, and that three of them are lieutenant-colonels and two of them majors. Had I known this earlier I am sure I would have persuaded the General to treat them all alike, and I am writing you now to ask you to send at once to Council the

recommendation for the necessary correction. I will take the full responsibility and will write Lord Dundonald about the matter. I saw Lieutenant-Colonel Boulanger, in Quebec, who happens, owing to the date of his commission, to be either at the bottom of the list or next to it. He has been in command of a battery, has served, as you know, in South Africa, and in China, with distinction, and for that service holds the South African and Chinese medals, and was given the rank of lieutenant-colonel. He also has control of the stores in the largest and most important stores depot in the Dominion. Moreover, he happens to be a French Canadian and the only one among the five first-class appointments. Now, whatever may be done later on, when new and younger blood is introduced, I think no distinction should be made in the first-class appointments at the outset, and therefore I ask you to be good enough to have the order amended and sent in to me for approval at once, so that it may go before Council.

Yours very truly,
(Sgd.) F. W. BORDEN.

Colonel Lord Aylmer,
Adjutant General,
Militia and Defence.

So much, then, for the ordnance corps. So much for the base use I am alleged to have made of my position as minister of the Crown to create fat places for my friends. But it will be observed that not one cent more goes to these officers as lieutenant colonels than would have gone to them as majors. But you will observe, Sir, that in this letter I say :

I will take full responsibility and will write Lord Dundonald about the matter.

As soon as Lord Dundonald returned, I asked Lord Aylmer to hand him this letter, and I am informed by Lord Aylmer, to whom I went a day or two ago for the letter, that it is in Lord Dundonald's possession to-day. With regard to the pay, just one word more. In the English service the director general of ordnance receives annually $10,227. In Canada he receives $3,200. In England the assistant director general receives $3,896. In Canada he gets $2,400. In England a first-class ordnance officer gets $3,666 and in Canada $1,600. These are the two highly paid officials for whom I was seeking a job. In England a second-class ordnance officer gets $2,626 and in Canada $1,400. In England a third-class ordnance officer gets $2,277 and in Canada $1,000.

Now, Sir, with regard to over-officering of this corps of 100 men with 20 officers and 7 lieutenant-colonels—what are the facts ? This corps is never brought together. It is not homogeneous. It is purely an administrative corps, scattered from Prince Edward Island on the one hand to British Columbia on the other. And these officers of higher rank control the stores in the chief stores districts in the Dominion—most responsible positions—those of the second rank have charge of the stores in the second class districts, and those in the third rank have charge of the stores in the third class districts.

This manifesto goes on to say that there was a certain Colonel Gregory whose case was a very bad one. And here again I would like to call your attention to the disingenuous character of this manifesto issued to the people of Canada :

The case of Colonel Gregory of the 2nd Dragoons has been placed before the public. The excellent work done by him during his term shows itself in the fine state to which he has brought his regiment. I was anxious, for the sake of the regiment, for reasons into which I need not go, to extend his command for another year.

Anybody reading that would infer that this proposed extension was the first extension. Anybody reading that will be surprised when I tell him that Colonel Gregory has just ended a year's extension of his command. No one would infer that from the wording of the manifesto. And therefore, I say it is disingenuous, and, I am afraid, intentionally misleading. What about this Gregory case ? Under the provisions of the Militia Regulations we have a rule by which, after five years' service, the term of command ends automatically. That is one of the reforms that have been introduced into the militia in my time—at least enforced in my time. Under the old regime, a man became lieutenant-colonel, and there he stayed. And so we had venerable gentlemen in the service—lots of them—fine men in their day, who had been in command of the same corps for thirty or thirty-five years, and who had no idea of retiring. Well, for fear that this sudden change, this limitation of command might sometimes work injuriously, a regulation was framed to the effect that, for reasons to be given by the District Officer Commanding, the time of an officer might be extended for three years. That power is very seldom used. In my humble opinion it should never be used if that can be avoided. But where you have a case where the second in command is not qualified to take the position, then it becomes proper to exercise the power. It so happened in this case. The second in command was Dr. Ferguson, the son of a gentleman whom we all knew, at one time a Conservative member of parliament and afterwards senator. Through some physical defect—disease of the throat, I believe,—Dr. Ferguson had been unable to attend the camp and unable to qualify ; in fact he could not speak above a whisper. It was hoped that he might recover, and so the recommendation was sent in for the extension. That recommendation was for an extension for two years. When it came before me, I said : Why not—and this is my rule—extend for one year ? And, if at the end of that year there is no officer fit to take command, it is an easy matter to extend it for another year. The extension was given

for one year. And before the year was ended a capable officer, Major Glasgow, had qualified and had been promoted to the position of second in command; and, on the 12th of July——

Mr. SAM. HUGHES. A good day.

Sir FREDERICK BORDEN. Yes.—On the 12th of July, Major Glasgow will become commanding officer of the regiment. Where is the political interference in this case? Where is the wrong in it? It seems to me that I was acting in the best interest of the corps and especially in the best interests of the officers below Major Glasgow who are looking for promotion, who are anxiously, and properly, looking for promotion, as a reward for their faithful service. I am not ashamed of what I did in this case. I have done it over and over again, and I propose to do it over and over again, in the interest of the young and rising officers in the militia.

Mr. SAM. HUGHES. The hon. minister (Sir Frederick Borden) has yet to make the statement that Major Glasgow was properly qualified for command.

Sir FREDERICK BORDEN. I make that statement deliberately. He is officially qualified.

Mr. SAM. HUGHES. He is not so reported.

Sir FREDERICK BORDEN. I cannot help that. The papers can be produced, if necessary, and they will show that Colonel Otter and Colonel Lessard have both recommended and approved, and he has actually received the authority by Order in Council.

I had noted several points here which are scarcely worth taking up the time of the House with, except one. Over and over again, it has been stated by Lord Dundonald and his friends that he had not been invited by me to make any statement with regard to what happened in Montreal; and this is put forward as an excuse for sending a communication to a member of the opposition, to be read in the House, thus passing by the minister. Well, I do not know what Lord Dundonald expected from me. He received my letter in which I called his attention to the report in the newspapers of what took place in Montreal. Surely that opened the door to the hon. gentleman to make to me any explanation he saw fit. He knew that I was seized of the fact that something had occurred at that banquet in Montreal; he knew that I thought it demanded explanation. Surely there was his opportunity. What did he expect me to do? Did he suppose that I would ask him to write a manifesto, for instance? Did he expect that I would prescribe to him the particular method. Why, I knew it would be a reflection upon the capacity of a man who has shown himself to be possessed of such enormous resources to indicate such a thing to him. He is a gentleman of patrician rank, a member of the House of Lords; a man of great experience in matters of etiquette. And for me, a humble Canadian, a plebian, an ordinary, every day colonial to presume.

Some hon. MEMBERS. Hear, hear.

Sir FREDERICK BORDEN. Why, Sir, it would have been arrant presumption on my part, but I gave him the opportunity and I gave it to him at the very earliest moment that I had cognizance of what had occurred. It is not my fault that he did not take advantage of it in a constitutional manner.

Now we come to the next stage, the indifference. He says:

> This government has shown crass indifference and want of sympathy with the militia of this country.

And he arraigns me on that account. Well, Sir, it may be that to increase the annual expenditure on the militia by some one and a half or two million dollars is a proof of crass indifference to the well-being of the militia, but I do not believe that the people will take that view. I have a list of the improvements which we have made. I shall read it, but shall not enlarge upon it although it is a theme upon which I could say a good deal. Our indifference to the welfare and the interest of the militia was shown first and perhaps in the most marked manner, by the adoption, without fail, of the principle of having annual drill for the whole militia of this country, and we have had annual drill of the militia every year since I have had the honour to preside over the Militia Department.

We have limited, as I said a moment ago, the term of commanding officers, thereby giving young men—some of whom got to be old men up to 60 years of age, under the old regime, as first lieutenants—some hope that some day they will get a reward for the work they have done.

We enforced the order with regard to age. Formerly we had lieutenant-colonels up to 65 and 70 years of age, but we have enforced the rules strictly, not only as to lieutenant-colonels, but as to majors, as to captains, and as to lieutenants, within the last six or seven years.

We have established a reserve list of officers, a most important improvement.

We have established cadet corps and cadet battalions, thereby enlisting the sympathies of the youth of the country and preparing them early in their career to do their duty later on, should it be necessary, in the defence of their country.

We have appointed a defence commission which sat here for many weeks and which went very carefully into the question of defence, and propounded a scheme which has been adopted by the experts of the war office, and by the people of this country, but for which I am bound to say two Gen-

eral Officers Commanding have had very little regard. One illustration of the unworkable character of the present system of General Officer Commanding, I think is worthy of note. The commission to which I have just referred, the defence committee, fixed upon a certain place for the establishment of a battery of guns for the defence of a certain place. I do not wish to mention the place, because that is secret and should not be mentioned. General Hutton came shortly afterwards. He, of course, had access to the secret report. He looked it over and said: Oh, that is not the right place at all, it should go here. So he fixed upon a place. General O'Grady Haly did not trouble himself very much with that. I think he was quite satisfied that the defence committee knew its business, but the recent acquisition, the gentleman of whose services we have recently deprived ourselves, looked into it, and he discovered a third place. Is it any wonder if the poor, perplexed Minister of Militia, having three different sets of advisers is somewhat in doubt and inclined to hesitate before plunging the country into the expenditure of hundreds of thousands of dollars. That battery has not been located yet.

A general service medal was secured by this government as a reward for the work done by the men who defended this country against the Fenian invasion.

The Colonial Officers' Decoration, the Long Service Decoration was secured for the militia of this country through the efforts of this government.

Officers are now required to have a much higher state of qualification.

The Medical Service branch of the militia was established by the government.

A Military Pension Act by which the officers of the permanent force and the staff and all the men of the active militia will receive pensions was passed by this parliament at the instance of this government.

A school of musketry was established by this government, one of the most important things in the interests of the militia that has ever been done in this country.

Rifle associations are being encouraged all over the country and enormous amounts of money up to $100,000 a year are being expended in the construction of rifle ranges, so as to put in the hands of our people the means of making themselves efficient in the art of rifle shooting.

The corps of guides, to which I referred a little while ago, has been established by this government.

The engineering branch has been established.

The military stores branch has been converted into the ordnance corps.

A military intelligence branch has been organized as an additional permanent unit of the Army Service corps.

We hear a great deal in this report about the unpreparedness of this country for war. The Dominion Arsenal, the output of which was under a million rounds of cartridges a year, has been increased so that it has an output of 10,000,000 or 12,000,000, and its capacity is very considerably above that quantity.

We have succeeded in establishing in this country a small-arms factory which at the present moment is turning out rifles, which will be able to supply the government at the rate of 1,000 a month and which has a capacity of double that quantity, if necessary.

We have established factories at which steel gun carriages, limbers, &c., are being manufactured in this country instead of having to be manufactured in the old country, both at Quebec and in this city.

So, I might go on, but surely I have said enough to demonstrate to the satisfaction of any fair-minded man that we have not been indifferent to the needs of the militia of this country. This manifesto refers to my having interfered with the courses of instruction. I am sorry to weary the House with reference to this matter, but it seems to be necessary for me to do it. Some months ago Lord Dundonald came to me and said that it would be very much better if the educational branch of the service in relation to the officers could be put completely under his control, that it was rather tiresome to have to be going to council all the time to get any business through and if I would let him have carte blanche, to use the phrase of my hon. friend from Jacques Cartier, he could manage it—he could do it all. I had my doubts about it, because I felt that the Governor in Council, although often inconvenient, was rather a sound institution; and it took him a good many weeks, I think some months, to convince me. When at last I did acquiesce I did it under protest and with the distinct understanding that if the thing did not work we would revert to the old conditions. What has happened? I have not time to elaborate it, but as no doubt the discussion upon this subject will occur again, I will have an opportunity of letting you see that as a result of that mistake which I made in granting that extraordinary power, chaos reigns to-day in the Department of Militia in reference to matters of education.

The late General Officer Commanding says that I refused to grant certain courses of instruction he wanted to give in September. Let me tell you that the late General Officer Commanding succeeded in putting through militia orders and general orders absolutely contradictory of each other until he has got now two or three absolutely contradictory orders governing the same thing. He need not worry. The courses of instruction which he recommended should take place in September, will take place, but they will not take

place until we get proper regulations passed to carry them into effect.

But, Sir, he complains that I have refused to adopt a central camp, or rather he says that after adopting the principle I have refused to carry it into effect. I have correspondence here which would show the reason why. I will not trouble the House with it to-night, but let me say that it was proposed to purchase or acquire a great tract of country, some twenty or thirty square miles or more in extent, upon which the central camp should be established, and where conditions similar to those which take place in time of war could be had, for the education chiefly of the officers of the militia of this country, to which a certain number of the militia might be brought and all the officers to the number of thousands. The idea is a good one. I believe in it. I said so last year, I repeat it now, but, Sir, the expenditure involved in establishing that central camp will be very heavy. The buildings alone, estimated by Lord Dundonald himself, would cost $100,000. If we succeed in getting a grant from either one of the local governments of the province in which we may decide to locate the central camp, the land granted would not cost much, but we will have to acquire by purchase a certain amount of land. Rifle ranges will have to be established in that camp ; so that it will involve an expenditure of at least $250,000 at the very best that can be done. Well, now, that is a somewhat serious expenditure. Then, we have not only that initial expenditure, but we have to consider the expenditure for transportation for ever, or for fifty years, because we are not going to construct your central camp for a day or for a year. It is a permanent camp and when you establish it you want to look forward, you want to see what you are about, you want to exercise the same caution that any business man would in making a very heavy expenditure of money ; and surely it is just as important and as necessary for the government of the country to exercise due caution, it is just as much their duty as if they were doing this work for themselves. So Lord Dundonald made up his mind that we should locate this camp at Kazubazua, in the province of Quebec, near the line of railway running northward. I am favourably impressed with the loaction, but I have heard of others and men in whose judgment I have confidence told me that they believed there were others. I have gone myself to the trouble of going to the Kazubazua district, I have gone to the Sharbot Lake district, I have gone to other districts to examine and see for myself, as I think it is my duty to do, as the custodian, in this regard, of the public money, and in the interest of the people of Canada. I came to the conclusion that we must not be in too much of a hurry and I refused to be, to use the phrase of my right hon. friend, the Prime Minister, either dragooned or stampeded into selecting a site before I believe that site is the best that can be got in the whole wide Dominion of Canada.

But he has a very serious grievance. He has in this great state document, this paper which is going to emancipate the people of this country from the domination of this vile government, in this serious, sober document upon which the destinies of the nation hang, another grevious complaint against me. Why, he said he made some placards to hang up in the camp and that I refused to have these placards reprinted this year.

Well, I did, and I will tell the House why. Last year, at a very considerable expenditure of money, placards, as he calls them, a kind of large map, illustrating different operations in engineering, cutting down trees, and all that kind of thing—rather superfluous information, perhaps, for the soldiers of Canada—various placards with various figures upon them were printed and distributed among the camps. But, Mr. Speaker, it turned out that when we had the services of an engineer, whom we had borrowed from the imperial service at Halifax, it turned out that these placards were wrong. And so His Lordship, who is so very anxious about the expenditure of public money that he was afraid that I was giving some favourites of mine small increases of salary by promoting them from majors to lieutenant-colonels—which was not true, all the same—he coolly sends down these amended, improved, corrected—that is the proper phrase—corrected placards, and asked us to do it all over again. Well, I thought a good deal about the placards, as I did about the guns which were to be located at one of three places that these experts have selected. I felt I would wait until I could get hold of some one who knew how to make placards before I would spend any more of the public money of Canada on them. I am sorry these placards were bad and were wrong, because I am afraid that some erroneous ideas may have gotten into the heads of the soldiers who went to the camps last year. I only hope they will come back long enough to see the corrected placards, which I hope—when we get the benefit of the services of a practical militia council in this country sitting around the board and aiding and assisting the Minister of Militia, whoever he may be—we will be able to fix the places where guns are to be put, and to make placards which won't have to be corrected the next year. So much for this serious complaint as to the placards.

Now, Sir, we have heard a good deal in this manifesto about the system. He is exposing the system ; the system is a bad one. All of this letter is for the purpose of showing that we are living, as he says, in a fool's paradise, and under a system

which is absolutely wrong. Well, I have a letter here which is very short, and which I would like to read, with regard to this very same much-abused system. Here is a letter which was addressed to me by this same noble lord, after he came to Canada. It is headed from the Three Rivers camp, and is dated September 15th, 1902 :

Dear Sir Frederick Borden,—I am considering the permanent corps matter and also other questions to bring before you later on. At the moment I am very fully occupied with the camps. So far, I may say, they have been a success, and I do not think I can improve much on the system adopted.

The system in vogue then was more particularly due to the industry and ability of General O'Grady-Haly, and Lord Dundonald says of that system, the system which was in actual operation—because these camps were actually going on when he came here ; he did not call these camps together at all ; possibly this camp may have been called later, but the Ontario camps were going on at the time he came—he says :

So far, I may say, they have been a success, and I do not think I can improve much on the system adopted, so far as the means at my disposal have permitted.

So much then for this system, which, if persisted in, is going to destroy any prospect this country may have of ever being able to defend itself.

Well, now, Sir, one word in conclusion. What was the intention of this document ? Was the object of that document to make the militia of this country feel satisfied and comfortable and happy ? Was its object sincerely to improve the condition of the militia ? Was it not rather to sow discord ; was it not rather to breed in the ranks of the militia the idea that the men responsible for the government of this country, the man chiefly responsible for the care of the militia in this country, was utterly and absolutely disregarding the interests of the militia ? Is that a high and noble object for a high and noble gentleman to pursue ? Mr. Speaker, the militia of this country are the everyday citizens of Canada. We have no army ; the militia are the people—good, practical, common sense people, who can see through motives of interested persons about as quickly as any people in this world. And these people will look very carefully to see whether the professions contained in that document, of good-will towards them, are real and genuine, or whether they are not. They will look at that document with suspicion, having learned, as they have now, of its utterly unreliable and disingenuous character. I have faith, I have always had faith in the good common sense of the militia of Canada. They are not going to be dissuaded from their duty or stampeded into any unfair or unjust course. They will look into the merits of this whole question, and I invite them to do so most carefully and most fully. I am prepared to stand by the verdict of the people, whatever it may be, but I have no fear as to what that verdict will be.

I was asked a question about the report, and before I sit down I would like to deal with it. I said last year, and I repeat now, that I would be most gratified and delighted to submit to a committee composed of any gentlemen on both sides of this House who are interested, any matters of this kind. I think I have some right to speak in this matter ; I am charged with the responsibility I say, and any military man knows that it is not desirable—I do not care what Lord Dundonald may say ; I believe he knows better—it is not desirable to publish to the world either your strength or your weakness. And, Sir, I think that the publication of this paper, especially as it does not correctly represent the facts, was a most unpatriotic act. But, Sir, I am prepared to submit these reports at any time to a committee. I do not at the present moment think that they should be published to the world ; but the committee may be made as large as necessary, with the understanding that the documents are being submitted for confidential consideration.

Mr. SAM. HUGHES. Mr. Speaker, in view of the lateness of the hour and with the consent of the House, I have great pleasure in moving the adjournment of the debate.

Sir WILFRID LAURIER. I expected that we would have been able to conclude this debate to-night ; but in view of the great importance which the subject has attained in the country, I think every latitude should be given to the other side to ventilate their grievances, and therefore I assent to the motion.

Motion agreed to, and debate adjourned.

On motion of Sir Wilfrid Laurier, House adjourned at 12.15 a.m., Friday.

HOUSE OF COMMONS.

FRIDAY, June 24, 1904.

The SPEAKER took the Chair at Three o'clock.

SEIZED SEALERS—PAYMENT OF CLAIMS.

Mr. R. L. BORDEN. Before the Orders of the Day are called, I would like to know from the Minister of Marine and Fisheries (Mr. Préfontaine) if he has any information to communicate to us with regard to the recent negotiations between Canada and Russia.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). The recent

negotiations between representatives of Canada and Russia, in London, reached the point that a certain suggested settlement would be submitted to their governments by respective delegates, for ratification or otherwise. The delegates separated on the understanding that the conclusion of the Russian government in the proposed settlement would be communicated to Canada through ordinary diplomatic channels for consideration by Canada. Russia's decision has not yet been received by the Canadian government.

SCOTTISH LIGHT DRAGOONS—CORRESPONDENCE.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). This morning I received a letter from my hon. friend the leader of the opposition (Mr. R. L. Borden) containing this request :

> Dear Sir Wilfrid Laurier,—May I ask that the original 'Gazette' containing the erasure of non-approval by the Hon. Sydney Fisher of Dr. Pickel's name will be placed upon the table of the House this afternoon. I refer to the 'Gazette,' a copy of which is set forth at page 25 of the printed correspondence.
>
> Yours faithfully,
>
> R. L. BORDEN.

I may observe that this is a very unusual request. I do not know what is meant by it, and I would not feel inclined to accede to it. But in view of the fact that there were insinuations made yesterday against my hon. friend the Minister of Agriculture (Mr. Fisher), at his special request, I now lay the original 'Gazette' on the table of the House.

SUPPLY—DISMISSAL OF LORD DUNDONALD.

House resumed adjourned debate on the motion of Mr. Fielding :

> That Mr. Speaker do now leave the chair for the House to go into supply ; and the motion of Mr. R. L. Borden in amendment thereto.

Mr. SAM. HUGHES (North Victoria). Mr. Speaker, in resuming the debate adjourned last evening, I may at the outset express my surprise at the conduct of the government in relation to this matter. Many of us felt, immediately after Lord Dundonald's speech had been delivered in Montreal and published through the country, that having been caught red-handed, as he undoubtedly was in the—I will not use so strong a term as crime—in the act of interfering politically in the appointments of militia officers in this country, the Minister of Agriculture (Hon. Mr.Fisher) would frankly confess to the Prime Minister (Sir Wilfrid Laurier) his fault and ask pardon from the people of Canada, and from the House of Commons, and from Lord Dundonald ; and if he had done so the incident would have been passed over and forgotten. But instead of that, Sir, we find that the government are hanging together, and as a government and individually, are glorifying in their conduct. Ever since the visit of the Minister of Agriculture to the Orient, a year or so ago, his friends have noticed the enlarged size of his head, and whether he had so impressed the people of Japan with the greatness of Canada, or whether he had led many of them to suppose that he was the Mikado, that he was the ruler of Canada, these people, I am told, actually fell down in front of him and almost worshipped him on some occasions ; and he has returned to Canada with his head abnormally enlarged, and seeks to secure from the people of the Dominion of Canada the same treatment that was meted out to him by the Japanese. In other words, he was regarded as a little tin god whilst in Japan, and on his return he is seeking to impress upon the people of Canada the same opinion.

Now, Sir, I may say that we were not surprised at the exhibition of the Minister of Agriculture ; but we were more than surprised at the exhibition made by the Minister of Militia last night ; and I am satisfied that when that hon. gentleman, in his calmer moments, reads over the remarks that he made in this House last night, and which have gone broadcast throughout the country, he will, deep down in his heart, be ashamed of the manner and the spirit which he displayed in this House last night. If there has been any act on the part of the Minister of Militia which would call for a rupture of the truce that has been extended to him ever since he was appointed head of the department, if there has been any act which would have called for a rupture of the truce that has been observed loyally towards him by the Liberal-Conservative party in this House and this country, it was the evidence that we had last night of his sympathy with the efforts of the Minister of Agriculture to introduce politics into the administration of the militia of this country. We did not expect anything better of the Minister of Agriculture. We knew it was his size to go down dabbling and meddling in the militia affairs of the eastern townships; but we did expect something better from the Minister of Militia than to back up the conduct of the Minister of Agriculture. I am satisfied that in his calmer moments he will apologize to this House and apologize to Lord Dundonald for the position he occupies in suppressing reports of the general, which, he says, are secret and confidential, and trying to blacken the character and reputation of Lord Dundonald, not only in this country, but throughout the empire, on the strength of reports which the general issues, but which the minister, to suit his convenience, will not place before the people of this country. Now, Sir, I stand here to demand that that part II. of the confidential report of Lord Dundonald be given to this House and this country.

We have had confidential reports brought down to this House before. I myself asked the Minister of Militia some time ago in this House—the questions are in the 'Hansard' if he disputes it—asked him the categorical questions: Was this a confidential report, was it a secret report? And the answer I got was that it was confidential, that it was secret, and that it was not to be put before the House. I have Lord Dundonald's word for it that the report was neither secret nor confidential, any more than any other report between a general and his minister is secret and confidential. The covering letter may have been marked 'private,' but according to the hon. Minister of Militia himself that covering letter was sent some days before the report reached him. We demand that that report be placed before the country. It cannot possibly be any harm to do so. The rumour has already got abroad, it is already in the air that Lord Dundonald has proposed some tremendous scheme involving an expenditure of millions, and it has been said that the Canadian border from the Atlantic to the Pacific is to bristle with forts. The organ of the right hon. First Minister, not the organ that was complained of last night by the hon. Minister of Militia, not the Toronto 'News,' but the other organ, has charged that Lord Dundonald's report involves an expenditure of from $35,000,000 to $50,000,000 for a line of forts along the border and for armaments that would turn this country into a regular hive of militarism. As I understand Lord Dundonald's policy, it is the reverse of a regular military policy. He aims at the upbuilding of the militia of this country, not an aristocratic army, not an army controlled either by oligarchs or autocrats. The hon. Minister of Militia has admitted that because he has adopted almost in its entirety Lord Dundonald's confidential report. Then, why cannot it be brought down? I maintain in the interest of the country and in fair play to Lord Dundonald that the report must be brought down. I do not see that Lord Dundonald needs to obtain any one's permission after the very cavalier manner in which he has been treated, but in case he requires to obtain any one's permission to publish that report, I maintain that it is Lord Dundonald's duty at the very earliest opportunity to publish that report broadcast to the world in order that we may judge whether the slanders that were heaped on that gentleman last night are justified or not. The hon. Minister of Militia last night undertook to read the House a lecture on constitutional history and constitutional law and he read extracts showing that the Secretary of State in the old country and the Minister of Militia here, each in his proper place, is the superior of the Commander in Chief or of the General Officer Commanding. There is no child in the fourth book in any of the ordinary schools but knows that, yet he and his colleague in iniquity in this instance, the hon. Minister of Agriculture, were endeavouring to read us these lectures. I may point out that a lesson was taught these hon. gentlemen long, long ago and I thank the hon. Minister of Agriculture for having profited by the lesson I gave him the other night. I promised him that if I took him in hand I would teach him something.

Mr. INGRAM. It is a hard job.

Mr. SAM. HUGHES. Yes, it is a hard job, but he has evidently profited by it. He has been reviewing some of the lessons which it was my pleasure and privilege to teach a certain gentleman in the past. I do not know that I could at any other period of my remarks better illustrate the position than at the present time. Let us contrast the conduct of the two officers concerned. One of them we find, as the hon. Minister of Agriculture pointed out last night, violated the principles of responsible government and the constitution. The former General Officer Commanding—I refer to General Hutton—actually arrogated to himself the authority of over-riding the Minister of Militia and passing directly to the Governor General without the consent or advice of the Minister of Militia. That was clearly in defiance of the spirit of responsible government. I shall come back to this case a little later on. The former General Officer Commanding, General Hutton, took it upon himself without the consent or authority of the Minister of Militia, to receive from the Governor General and from the imperial authorities, letters concerning officers of the Canadian militia and to transmit such letters without the consent of the Minister of Militia. Lord Dundonald neither directly nor indirectly has attempted to do anything of the kind, and the hon. Minister of Agriculture, although from his remarks last night he is filled with venom towards that officer, did not for one second attempt to say that Lord Dundonald had pursued anything but a constitutional course in all his dealings with him in this matter. The former General Officer Commanding, General Hutton, undertook without the consent or approbation of the Minister of Militia, without the consent of the officers commanding the regiments, to make appointments to these regiments and in that way he clearly violated the constitution of this country. Lord Dundonald neither directly nor indirectly has ever trespassed on the constitution. In a dozen different ways General Hutton usurped the functions of the Minister of Militia, and the minister tamely submitted to it, and Sir, the right hon. Prime Minister will recollect that I had the privilege at his request, of looking up the authorities to show him that in Lord Palmerston's time, when he was secretary of

state for war in 1810, I think it was, he brought the Commander in Chief of the English forces, General Dundas, before him and told him that he dare not lift his hat to the sovereign officially without the permission of the first lord of the treasury. General Hutton violated all the principles of responsible government. Lord Dundonald has never violated one of them. In relation to the erasure of Dr. Pickel's name and to the 'Gazette' having gone through with the name of the hon. Minister of Agriculture attached as acting Minister of Militia, the hon. Minister of Agriculture, I am sorry to say, in a tone reeking with pomposity and venom towards the late General Officer Commanding last night, asked: Is the act of the hon. Minister of Agriculture valid or invalid? He said: If it is valid I presume the hon. Minister of Agriculture had the power to initial that list in the absence of the hon. Minister of Militia and Defence. I want to tell him that his bombast in this House and before the country is not law and is not the constitution, and I want to say that the hon. Minister of Agriculture has committed an unconstitutional act, that, under the constitution of England, it is only the Prime Minister who can act for another minister, unless any other minister so acting is actually sworn in to take the duties of the office. The Prime Minister and the Prime Minister alone is the only man who could have initialled that list unless the minister acting was actually sworn in. I shall take that up though at a later period. I want to tell the hon. Minister of Agriculture further that if this matter is reported to His Excellency the Governor General, as it should be, I maintain that His Excellency would be justified in dismissing from his cabinet the hon. Minister of Agriculture, and if the right hon. Prime Minister does not see fit to dismiss the hon. Minister of Agriculture, I maintain it is the bounden duty under the constitution of the Governor General to dismiss any officer who would arrogate to himself that line of conduct that the hon. Minister of Agriculture has lately pursued and which has culminated in this unfortunate incident. Of that, though, later on. The hon. Minister of Agriculture went on to tell the House that in organizing a corps you must look to the prominent men of the country, men of standing, men physically fit, and he gave a magnificent description of Christian De Wet, General Delarey, and Dr. Pickel. Yet, although he has described the very type of man that Dr. Pickel is, a splendid horseman, a magnificent rifleman, a man in the prime of life, commanding the confidence of the community, prominent in his own village, warden of his own county, the ideal commander, the Minister of Militia, obeying the dictates of the puny Minister of Agriculture, connives at this man being shut out of the militia. Why? Because he happened to be a political opponent to the Minister of Agriculture. Here we find a man living on the border whose only professed crime in the eyes of the Minister of Agriculture is that he is willing to place his body between any invading enemy and the city of Montreal and the province of Quebec. And here forsooth he is turned down because he is a Tory. The Minister of Militia in one of his calmer moments last night uttered a word or two that restored the feeling I have had as to the characteristic of that hon. gentleman when he said that if he had been here this unfortunate trouble would not have occurred.

Sir FREDERICK BORDEN. I said that if I had been here, I would have consulted my colleague the Minister of Agriculture early in the affair, and that I believed that then this unfortunate trouble would not have occurred

Mr SAM. HUGHES. I am willing even after his speech of last night to give the Minister of Militia credit for his utterance of to-day. I believe he would have turned the meddling Minister of Agriculture down had he been here to attend to his business. I feel satisfied, knowing what I know of him, and of his expressed desire to keep the militia free from the meddling of petty politicians, that he would have done his best to turn the Minister of Agriculture down, and it would then have depended on the question whether that minister had power enough to command the Prime Minister, and to force his hand. We know that he boasts of his power. He has inherited position and wealth and these are all that he has. He has no superior ability over any man along the side roads of the country and yet he has power enough in the cabinet to control the Prime Minister, to control the Minister of the Interior and we are told he even turned down the Minister of Justice, but I can hardly believe it. Why such an official can have such power, passes our comprehension; possibly history will reveal the reason.

The Minister of Militia last night took the opportunity of reciting a number of acts that he has performed, as Minister of Militia for the Dominion of Canada. The Minister of Militia took credit to himself for a long list of meritorious acts. I do not seek for an instant to minimize the goods work that he has done, but why has he been able to do it? Because he has had the backing of the hon. member for North Norfolk (Mr. Tisdale) the hon. member for East Durham (Mr. Ward), myself and other Liberal-Conservatives in the House who are interested in military matters. He knows right well and the Prime Minister knows that in 1896 when the Liberal-Conservative party wishing to place this country in a small state of readiness to meet any invad-

ing enemy, placed in the estimates $3,000,000 to purchase rifles, an agitation was carried on by the Liberals throughout the length and breadth of Quebec against that sum of money being placed in the estimates. Why, Sir, I recall that when the Solicitor General was speaking in his place in the House, the hon. member for Sherbrooke told him right on the floor of the House, that his place was behind the prison bars and not on the floor of the House for the conduct he displayed in the last general election in Quebec, in seeking to raise race against race, creed against creed, locality against locality. Had we carried out the same policy towards the Minister of Militia when he desired to add even $100,000 the minister would not have been able to get the money. In this House and out of this House the Tory party of the country to a man have backed the Minister of Militia in his attempts and he knows it. If the gauntlet has been thrown down, if trouble accrues in the future, let the Minister of Militia and the Prime Minister not blame the Tory party; let them blame the Minister of Agriculture and the weakness of the Minister of Militia in heeding any such interference. I was more than surprised at the Minister of Militia last night seeking to take advantage of a little trifling matter. I presume it was intended more as an illustration. I refer to the ordnance corps. The ordnance corps is a very proper thing and I give the minister credit for what he has done. He has placed in command of that corps Colonel Macdonald, a Liberal it is true, but a splendid fellow. I believe that Colonel Macdonald and the seven lieutenant colonels are all very good men. The minister made a good deal last night of the statement that Lord Dundonald was dishonest in saying that one dollar of extra responsibility was incurred by the country owing to the gazetting of these colonels. What we complained of was that these officers had not been made colonels by Lord Dundonald. I do not know the details but the facts stand out. These officers when the first gazette came out were gazetted as majors. They did not appear as colonels until Lord Dundonald went away on his western trip then they suddenly appeared as full-fledged colonels, and as a natural result these men took their rank and seniority over all the other colonels in the country. It is a pretty hard matter for an officer after years of faithful service in a regiment to find out that some officer long his junior, owing to a little pull at headquarters, has been put over him. We would not mind it if it were done for any distinguished service, or meritorious conduct or superior work, but when they are put over the heads of officers who have distinguished themselves in a dozen ways as much as these men have done, the question naturally arises in the minds of these officers, where is the pull that has put these officers where they are? I have not looked into the question of the salaries carefully but I would point out that these men come under the Military Superannuation Act and they will draw higher superannuation on account of having been made lieutenant colonels.

Sir FREDERICK BORDEN. The superannuation will depend on the amount of pay they receive, and the pay as lieutenant colonels is the same as it was when they were majors.

Mr. SAM. HUGHES. The pay depends on rank.

Sir FREDERICK BORDEN. Not when it is fixed by Order in Council.

Mr. SAM. HUGHES. I did not look up the law and I accept the minister's statement.

Both the ministers last night tried to make a little point from the fact that we had not limited the debate entirely to the defence of Lord Dundonald. Mr. Speaker, I need not tell you, I need not tell the ministers nor their followers—their servile followers—I need not tell this House, that Lord Dundonald needs no defence before the people of this country. I have here—I shall not read them—scores of extracts from the best leading Liberal papers, outside of the subsidized organs of the government—the Montreal 'Witness,' the Hamilton 'Times' and a score of others, as well as the official organ of the militia of the country, the 'Military Gazette,' each and every one of them scoring the government for their conduct in relation to Lord Dundonald. First, in reference to the conduct of the Minister of Agriculture, who is the best detested man in the Grit ranks to-day, I venture to say that when the grand old Liberal bows his head at his morning meal or at his bedside in the evening, his anathema is strong against the Minister of Agriculture. Lord Dundonald needs no defence from the people of this country or from the members of this House; but incidentally we may gratify the wishes of the Minister of Agriculture and the Minister of Militia by showing, not that Lord Dundonald has done right, but wherein, in their treatment of him, they have done wrong.

The Minister of Militia was also good enough, to speak in very scathing terms of the Prime Minister's friend's journal, the Toronto 'News.' I had here last night the biography of Sir Wilfrid Laurier, by Mr. Willison, now the editor of the Toronto 'News'; and as I glanced over the book, I could not conceive what sort of man this Mr. Willison could be—I never had the pleasure of meeting him or seeing him—that he would fall down in such adulation before a man as great as may be the Prime Minister of this country. I have a very high appreciation of the Prime Minister

in some respects. I know it breaks his heart to have to put up with a man like the Minister of Agriculture, and to have all these troubles—I do not know any more moderate term to use—forced upon him by a man of the calibre of the Minister of Agriculture. Even then I fail to see eye to eye with Mr. Willison in his admiration of the Prime Minister of Canada. Yet this editor scathes the Minister of Militia and the Minister of Agriculture in the terms that were referred to in this House last night. The biographer of the Prime Minister is the biographer of the Minister of Agriculture and the Minister of Militia, and, Sir, if we are to accept his authority in the one case—and he is quoted by Liberals all over the country—then surely we must accept his authority in the other case, as displayed in his appreciation of the great powers of the Minister of Agriculture and the Minister of Militia. However, it is a quarrel among themselves, and, as an old trapper up our way says when any of these questions come up, I am not going to meddle in it—we will let them skin their own skunks.

Another reference last night by the Minister of Militia was to our good friend from Jacques Cartier (Mr. Monk), whom he taunted with having lost his head. Well, if he has lost his head, he gets on splendidly. As an American once said, he is a mighty lively corpse. The stand that the hon. member for Jacques Cartier made in this House last night is the same stand that he made on former occasions, when he justified himself in Montreal and elsewhere in his public speeches. I may tell the Minister of Militia that his friend the right hon. leader of the government will not express the views he did in relation to the lack of power and ability of the hon. member for Jacques Cartier. Perhaps the minister was touched a little, because, according to his view, the hon. member for Jacques Cartier had been decapitated by his friends while Lord Dundonald had lost his head by his enemies.

Another point attempted to be made by the Minister of Militia last night was that Lord Dundonald had had a reporter in his pay at the meeting in Montreal. Bad as the Minister of Militia had been up to that time, I thought that was terrible. I did not really believe that the Minister of Militia could so far forget the little courtesies due from one gentleman to another, especially men who had been associated together for two years past in the capacity of minister and adviser. I could not credit it, until I read 'Hansard' this morning, that the minister could have so far forgotten himself as to charge Lord Dundonald with hiring a reporter to take notes of his remarks in order that they might be published, and then, in the next breath, to charge that Lord Dundonald had sought to keep those remarks from being published. I may say that after I wrote to Lord Dundonald for data, previous to the last time this matter was before the House, I was requested to call upon him; and I may say that he stated then to me, what the Minister of Militia very properly pointed out last night, that he had got sick of the meddling, and that he was determined, as my good friend from South Lanark (Hon. Mr. Haggart) said, to cut the painter, and if possible educate the people of Canada to the iniquities that were going on, and that he had nothing whatever to do, directly or indirectly, with the bringing of this matter before the public, and cared not whether it was reported or kept in darkness.

Mr. SCOTT. Was the reporter at the dinner?

Mr. SAM. HUGHES. I was not at the dinner.

Mr. SCOTT. I was led to understand from the opposition benches that it was a private dinner.

Mr. SAM. HUGHES. Then possibly the hon. member was educated from the opposition side. I do not know anything about the dinner. I know the result of it; and Lord Dundonald has nothing to be ashamed of, nothing to retract or apologize for in connection with that dinner. I have just been informed by the leader of the opposition and by the hon. member for West Toronto that the Montreal 'Gazette' to-day positively states that its reporter went there of his own accord—that it was a public function. Hon. gentlemen opposite can read it for themselves. I do not know whether they are losing their heart or not, but their tones are very mellifluous to-day.

Mr. ALEX. JOHNSTON. The Montreal 'Gazette' says the reporter went there in obedience to the orders of his chief.

Mr. SAM. HUGHES. That is his newspaper chief, of course, as we expect reporters do. I may say that I have had a good deal to do with reporters in this country, and I have never known one who could be hired to go to any meeting and report for any man unless he was sent by his paper. With regard to the insinuations by the Minister of Militia that Lord Dundonald was publishing these confidential reports broadcast over the old country, that comes with very bad grace from one who has before him every day the Toronto 'Globe,' the Montreal 'Herald' and other organs subsidized by this government whose columns are reeking with denunciations of the late General Officer Commanding because forsooth they charge him with wanting to impose a system of militarism on this country and build a line of forts from one end of it to the other and all that sort of thing. Let me tell the Prime Minister and the Minister of Militia and the Minister of Agriculture that they will fail in their efforts to prejudice Lord Dundonald, that they will fail to strengthen their own case and make

political capital for themselves by publishing only what suits them, and they will find that they will be forced by public opinion to publish the report of Lord Dundonald in its entirety. I demand, in justice to Lord Dundonald and to the people of this country, that that report be laid on the table of this House, so that we may know really what it is, and I have every reason to believe that before the snow flies my right hon. friend the Prime Minister will be brought to his senses and be convinced of the necessity of furnishing that report in its entirety. The right hon. gentleman ought to know what the principles of responsible government are, though I must confess he has not in this matter given any evidence that he has the slightest conception of those principles. He may stand up here, as I have seen him do often before, and shake that magnificent head of his and slap his breast and declare that he is a politician of the type of the old English politicians—

Mr. BENNETT. A democrat to the hilt.

Mr. SAM. HUGHES. Yes, and a democrat to the hilt, but what we require of him is to stand by the principles of responsible government and put his thumb down on men like the Minister of Militia and the Minister of Agriculture who will use these reports and then refuse to let them go to the country. Was it a guilty conscience which led the Minister of Militia to talk of subsidized reporters? Is he aware that it is the Dominion government which paid for the cabling of the Order in Council of the other day to the English papers? Is he aware that the Order in Council was cabled across at the instance of a member of the government and was paid for by the government? Is the Prime Minister aware that out of the fund—I am not sure whether it was the money of the people or the money raked in from contractors—the English press is supplied with rubbish from this side, boosting him and his government to the skies? Is he aware that out of the money of this country the subsidized agents of the government in the the old country, the officers in Lord Strathcona's office and in the government agencies, are paid for spending their time writing articles for publication in the North Wales 'Gazette,' the South Wales 'Mirror,' the West Yorkshire 'Tooter' and a lot of little one-horse country papers, and then this stuff is cabled back as the opinions of the English public. This stuff, which is written up in the back offices of the government agencies and published in these newspapers is then cabled back to this country as expressing English public opinion. If the right hon. gentleman is not aware of this, I draw his attention to it now so that when the $15,000 item comes up for paying these men he will be able to explain it with some knowledge of what is taking place. Periodically we get papers from the old country with two or three columns—and mark you, Sir, these are not published for nothing—of speeches of the Minister of Agriculture at different places, describing how eloquently he addressed the public on the way to kill chickens and make butter and things of that sort; and no doubt it is the good solid money from the pockets of Canadian farmers which pays for these eulogistic articles. That sort of thing will have to be stopped. All we ask is fair play. All we ask is that honest reports be sent out to the English press and that our officers in the old country, paid with our money, shall not send columns of hogwash to such papers as the 'Daily News' and the 'Chronicle.' If the government want to make use of the English press, let them send reliable matter to journals of the stamp of the 'Spectator,' the 'Post,' the 'Times' and the 'Telegraph,' and not to disloyal journals which took the part of the Boers, which were subsidized by the Boer.

Mr. BUREAU. Who killed the Boers?

Mr. SAM. HUGHES. I can guarantee that there are not many obituary notices traceable to our hon. friend or any of his party.

Mr. MACPHERSON. There was no room there for anybody else but yourself.

Mr. SAM. HUGHES. There is another little matter to which I wish to refer. The Ministers of Militia and Agriculture and also the Prime Minister have charged Lord Dundonald with not observing the principles of responsible government. But neither in their subsidized organs nor from their places in this House have they pointed out one act of Lord Dundonald which is not in harmony with the principles of responsible government. Suppose Lord Dundonald did defy them and make a speech in Montreal, is that contrary to the principles of responsible government? Did not Hampden defy the government of England and bring about a reform? Did not William the Third and his friends defy tyranny in Great Britain and bring about a reform? Did not George Washington and his friends in the United States take a stand against the government of that day and bring about a reform? If Lord Dundonald has taken a stand in this country in order to bring our people to a realization of the position they occupy and the practices that are going on, he is quite prepared to take the responsibility of what he did and there is nothing in his action contrary to the principles of responsible government. Suppose he has fallen foul of our friends, he is ready to abide by the consequences. He asks no favours and he has acted in a legal

and constitutional manner. Where then has he done anything which was not in perfect harmony with the principles of responsible government? Hon. gentlemen opposite failed to show us that Lord Dundonald has sinned in any way against responsible government, but they have attempted by their bluster to cover up the real issue and justify their own shortcomings. The Minister of Militia waxed very warm last night because Lord Dundonald had said that there was some difficulty between himself and the government. But surely the hon. minister must understand the use of the English language. The charge is made by Lord Dundonald against the government and not the government against him. I hope the Minister of Militia will study up the proper use of the English language and not give us another exhibition similar to the one he gave last night. At one time I thought the hon. gentleman was going to explode when he told us in excited tones that this officer had yet to learn the first principles of proper conduct and before trying to control the government should learn to control himself. But I do not see how Lord Dundonald could say otherwise than that the charge was made by him against the government. It is he who is putting the government on its defence, and before the government are through, this matter they will find they are very much on their defence.

The Minister of Agriculture did not say much; but he claimed that it was his right as a citizen, his right as a member of parliament, his right as a Minister of the Crown —nay, more than his right, it was his duty —to intermeddle with the organization of the regiment. All I have to tell him is this—that had I been Colonel Smart he would have got out of that business in mighty short order. As the Minister of Militia knows, one Liberal heeler tried it in reference to my own regiment, and he got out of it about as quickly as he knew how. And I may say that, in the olden days, long before I had anything to do with politics, when a Conservative administration was in power, a pettifogging Tory——

Sir WILFRID LAURIER. Hear, hear.

Mr. SAM. HUGHES. Yes—you have scrubs in every camp—a pettifogging Tory, one about the calibre of the Minister of Agriculture, undertook to meddle in the affairs of that regiment and to force the appointment of a chap who happened to be a friend of his, and a Tory. I say it to the credit of every Tory in that regiment, he was jumped on with both feet, and the officer who was entitled to the place got it in spite of this fellow's meddling. And in the days of Alexander Mackenzie, when the Liberals were in power, the Liberal organization undertook to force an appointment in that same old regiment, and, to the credit of Alexander Mackenzie, I am glad to say that, when the matter came before him, he turned them down and sternly said: There must be no political interference in the militia. But I want to say this—I blame Colonel Smart, I blame him very severely, for his course in this matter, in that, though knowing that this meddling was going on, he had not cleared the decks long ago and publicly branded the Minister of Agriculture for his interference. But I presume that he was anxious to get the regiment together, and to keep things going smoothly and pleasantly, and so he put up with the petty persecuting, meddling spirit displayed by that gentleman. The Minister of Agriculture speaks of his close political connection in the eastern townships. How is a man who only knows the people in their political relation to judge who are the proper men to command a regiment? No. Give me the man who knows the boys as they show up at the rifle range, the man who is ready to go into camp with the young fellows of the regiment. Colonel Smart knew these men; Colonel Roy knew them; Colonel Whitley knew them. I am informed that Colonel Whitley is a prominent Liberal, that Colonel Roy is a prominent Liberal——

Mr. BUREAU. The hon. gentleman makes a mistake as to Colonel Roy.

Mr. SAM. HUGHES. Is he a Tory?

Mr. BUREAU. Yes.

Mr. SAM. HUGHES. I am very glad to hear it. At all events, Colonel Roy was only the District Officer Commanding. And here let me point out where the Minister of Militia was unfair last night. And I want the minister to hear this, for I am reading him a lecture and I intend that he should profit by it. The minister was unfair in half a dozen things, but the one thing to which I wish now particularly to refer was this—that he made it appear that Colonel Roy had been overlooked by the General Officer Commanding. As a matter of fact, not a solitary recommendation was made by the General Officer Commanding that did not come through Colonel Roy—and it was through Colonel Roy as District Officer Commanding, that they should have come. I take it from the remarks of the minister that he wished to leave the impression that Colonel Roy, as District Officer Commanding, had been overlooked in this matter because he was of French Canadian descent. I thought that was far beneath the Minister of Militia. For he knows, and knows well, that the District Officer Commanding has nothing—and ought to have nothing—to do in these matters, other than to take the reports of the officer commanding the regiment in the organization of the regiment. The General Officer Commanding, with the minister's knowledge and consent, gave the organization of the regiment to the brigadier, Lieutenant-Colonel Whitley, a staunch Liberal,

as the minister knows. And the Minister of Agriculture and the Minister of Militia were closeted with Colonel Whitley when Colonel Smart came on this first expedition to Ottawa. Was Colonel Smart admitted to the sacred precincts within which that conference was held? No. He was kept at the door, and Colonel Whitley the Liberal was taken in and consulted with by these gentlemen.

Sir FREDERICK BORDEN. My hon. friend (Mr. Sam. Hughes) will allow me to correct him. My recollection is that Colonel Whitley and Colonel Smart were both in the room with me—in room 27—the only time I ever saw them.

Mr. SAM. HUGHES. Well, perhaps the Minister of Militia may be let out. It may be that it was only in the sacred conference with the Minister of Agriculture that this occurred. Of course, Colonel Smart was not in the room with Colonel Whitley in the office of the Minister of Agriculture.

Mr. BRODEUR. Most upright conduct on the part of Colonel Smart.

Mr. SAM. HUGHES. What does the minister mean?

Mr. BRODEUR. In discussing these things with my hon. friend (Mr. Sam. Hughes).

Mr. SAM. HUGHES. Why, it has been in the papers all over the country. Colonel Whitley admits it.

Mr. FISHER. I would like to understand what the hon. gentleman (Mr. Sam. Hughes) has stated. If he will put it clearly we shall all know what he means.

Mr. SAM. HUGHES. It will require more than the equivocation displayed in this House to make us believe the charge is not true. I may tell the Minister of Agriculture that, so far as any denial from him is concerned. Colonel Whitley and Colonel Smart came to Ottawa on this matter early in the obstruction. Colonel Whitley had an interview with the minister when Colonel Smart was not present, and, later on, after three o'clock, all three had a meeting over here. Colonel Whitley is a good Liberal—nobody will deny that. And he is a good officer—nobody will deny that either. The General Officer Commanding followed exactly the course that the constitution of this country lays down as the proper course for one in his position. And, on this point I would address myself particularly to the Prime Minister. Lord Dundonald has been charged with pursuing a course contrary to the principles of responsible government. Mr. Speaker, these hon. gentlemen have failed to show where he stepped aside from the proper course in one single particular. What course does the constitution of this country provide in such matters? This regiment was to be organized. In the first place, a commanding officer was appointed—Colonel Smart. The brigadier, Colonel Whitley, was instructed to look after the regiment. He and Colonel Smart selected the officers of the regiment as it was their duty to do. It was understood from the first that the officers of the old 53rd Battalion of Infantry, and the 97th Regiment, the old regiment down there on the border, were to be taken, as far as possible, in the formation of the new regiment. And yet one would gather from the tenor of the remarks that have been made—and I should much dislike to say that there was an intentional effort in those remarks to mislead the House, but I think that, considering the way in which the case is put we would be justified even in saying that there was that intention—that Colonel Smart had gone about the country drumming up a lot of Tories who had had no previous experience, and taking them, simply because they were Tories to be officers in the organization of the regiment. Under the constitutional course, Colonel Smart, selected his officers. Of course, he could get advice wherever he chose, but it was for him to make the choice. There is one constitutional avenue of communication according to the laws of responsible government and of common sense government. There must be an official channel of communication. That channel was from the officers, the captains of the companies and the majors commanding the squadron, through Colonel Smart to Colonel Roy and from Colonel Roy to the authorities at Ottawa. There is the plain, well understood course. The man who pursued the unconstitutional course, who followed principles inimical to responsible government was the Minister of Agriculture? He is the man who tramped under his feet the forms that have been in use for ages, and that will continue to be in use for ages in any properly organized community. He tried to make himself the medium of communication between the officers organizing the regiment and the department at Ottawa.

He is the man who stands branded, and will stand branded to the end of time, as the only instance of a minister of the Crown in Canada who has ever stooped to interfere in the organization of a regiment, and has constituted himself the Colonel of the regiment, the brigadier of the district, the District Officer Commanding of the district, the General Officer Commanding, and the Minister of Militia. Following the precedents laid down by this government, and rightly laid down, in dismissing General Hutton, and in the dismissal of ministers again and again in British history, I maintain that the Prime Minister is bound to turn the Minister of Agriculture out of his cabinet, or he is guilty of a violation of the principles of responsible government, and himself merits dismissal by the Governor General of the country. Our friend, the

juvenile member for London (Mr. Hyman), may sit there with a sardonic smile; he may not know as much about the principles of responsible government as about pigs feet; but I may tell him that the more he studies the principles of responsible government he will find that away down in the hearts of the people of this country, where the sentiment has not been swallowed up by chicanery, opportunism and trickery on the part of the government of this country—I say that deep down in their hearts there is an admiration for the old principle of responsible government, and he will find it out sooner or later.

Now, we will come to a few details. Not only has the Minister of Agriculture been guilty of meddling with and trampling on the constitution, but he has been proven guilty in this House of deception, not to use a stronger term. He has stated again and again in this House that these regiments along the border were Tory preserves in the olden times, and that he was going to take particular pains to see that they no longer remained Tory hives. He has had the hardihood to stand up and state in this House what he must know is a deliberate untruth.

Some hon. MEMBERS. Order.

Mr. SAM. HUGHES. Mr. Speaker, if the rules of parliament forbid me to utter what is in my heart, then I retract the word.

Some hon. MEMBERS. Order.

Mr. SAM. HUGHES. I have retracted the statement, I bow promptly to parliamentary rules. As an American said the other day in the House of Representatives at Washington, a man will sometimes speak from his heart. The Minister of Agriculture has stated in this House on two or three occasions recently, and he has made the welkin ring with the statement, that the regiments along that border had been Tory preserves in days gone by, that they are Tory preserves to-day, and that was the reason he interfered. The charge was made in Monreal in his own paper, and in order to avoid a lawsuit, I presume, he has had to publish a letter from the officer commanding one of the eastern townships regiments who is charged with that sort of thing. I will read the article:

> The colonel of the regiment——

I think he is the colonel of the regiment, H. R. Fraser signs the letter. And let me say this before I pass on, that I see they are resorting to a little species of petty intimidation in relation to Colonel Smart, and the Hamilton 'Times' warns any officer who wants to keep his place in the militia that he had better keep his mouth shut. The Waterloo 'Advertiser' does the same thing. Let me tell the hon. member for Shefford (Mr. Parmelee), who, I believe is the editor of that paper, let me tell the Minister of Agriculture, and the Hamilton 'Times,' and the Toronto 'Globe,' and the Montreal 'Herald,' that when an officer of the militia of this country is not on service he is just as free a man to tell his colonel, to tell the District Officer Commanding, to tell the Minister of Militia or any other man in this country, what he thinks of him as any other man living, and there is nothing in the militia laws of this country that can possibly prevent him. That was the fight that I fought with General Hutton, and let me tell the Prime Minister hat the militiamen of this country while they are ready to defend their country, abdicate none of the rights of citizenship in joining the militia. Let me tell the hon. member for Shefford that it ill becomes him to write what appears in the last issue of his paper, and which I will read. Mush less does it become him when the public know that Colonel Smart, the gentleman whom he is threatening here, took him into his confidence and took his advice in the selection of a number of the officers of that corps. It ill becomes him to stoop to a threat resembling the tyranny of the dark ages. He says:

> Colonel Smart's connection with the matter stamps him as unfit to command a corporal's guard. To employ no harsher term, his usefulness is gone.

Mr. Speaker, let me draw the attention of the Prime Minister to the fact that that article is in the paper of one of his supporters and if that is the spirit that is going to be displayed and acted on in this country, let us know it. Let me tell him that the people of this country are going to stand by the principle of responsible government. If that is the treatment that is to be meted out to the free men of this country, let us know it, that is all I ask. We are ready any time they wish to meet them on this ground. This trouble has been brewing for a long time, and we are ready, at any time they chose to throw down the gauntlet, to pick it up. Here is a statement made by Colonel Fraser in relation to the absurd charge made by the Minister of Agriculture that these regiments were Tory hives. Colonel Fraser first quotes from the article in the 'Herald:'

> I quote the following extract from the article: 'Any one who is conversant with the affairs of the 53rd regiment will see how ridiculous the 'Gazette' is when it states that the officers of the 53rd regiment are above politics. Is there a Liberal officer in the regiment? It is well known in Sherbrooke that no Liberal-minded gentleman need apply for a commission in this regiment.

This is from his own organ, the Minister of Agriculture. Colonel Fraser then goes on to say:

> This statement is as false as it is malicious, and I designate its writer an infamous liar, and I challenge him to take action against me for calling him such, or to come out and re-

peat the statement over his own signature, when I will take action against him for malicious libel.

That cap fits the Minister of Agriculture. He has stated in his speeches in this House, he has repeated it again and again, that these regiments were Tory hives, and I now ask him to peruse the article dealing with that letter. Colonel Fraser goes on :

I have been in the regiment for twenty-six years, from drummer-boy to its commanding officer, and during all that time not one word of politics or political influence has ever been heard to my knowledge, either on the part of the commanding officer, the regimental staff, the company officers or in the ranks.

Let me say in passing, that I have associated with these men on the rifle ranges here and in Montreal, and in camps in the eastern townships, I have talked with the boys of those regiments, and I never knew what politics any one of them believed in, and I cared less. I never heard that any politician interfered in the political allegiance of the men of any of the regiments, whether Colonel Gibson's regiment in Hamilton, or any other, and I defy any man to point out where the question of politics has ever been allowed for one second to intervene between the officers and the men of the regiment.

We have never even pretended to know, inquired into or cared what the politics, religion or nationality of incoming officers or men might be.

What we have sought for has always been the right kind of stuff to make good officers and men for the regiment, and to serve their country and their King, and I think we have succeeded in some slight degree. In this respect the record of the regiment will speak for itself. What the number on either side of politics may have been from time to time in the past I do not know, but this I do know: that I served for many years under Lieutenant-Colonel W. A. Moorehouse, a staunch Liberal, and who obtained and held his command under a Conservative government, and I could refer to many other past officers who have been on the Liberal side of politics. It may not be out of place for me to say that my immediate predecessor in the command of the regiment has been repeatedly spoken of as the next Liberal standard-bearer at the Dominion elections, and again that my late surgeon-major, the present P. M. O. of the district, has also been prominently spoken of in the same direction.

When the scarlet coat is on, the boys drop politics. We regard is as a little bigger than politics. The late right hon. Sir John Macdonald, of whom I had the honour to be a humble follower in politics, had two staunch rules in political life that I heard him enunciate. He preserved the integrity of the bench and as far as possible made it rise above party politics and he preserved the integrity of the militia. My good friend the right hon. minister sometimes seeks to follow in his footsteps. Let me draw his attention to the fact that in relation to the bench hon. gentlemen opposite have woefully, in the province of Ontario at all events, departed from that rule laid down by the late Sir John Macdonald and in the organization of this 13th Scottish Light Dragoons they have woefully departed from that rule. Let me point out to the right hon. Prime Minister that if he wants to do credit to himself and the country, he will follow in the footsteps of his illustrious predecessor, Sir John Macdonald. The right hon. Prime Minister, in his remarks the other day on this matter, did not do himself credit in seeking to make it appear that Lord Dundonald and not Colonel Smart was selecting the officers of this regiment. In that connection when he was growing eloquent, endeavouring to make a speech which would read well in certain parts of the Dominion, saying that he wanted no interference from a man of Lord Dundonald's stamp, a man who did not understand the country, it was at that unfortunate moment —possibly he spoke from the heart rather than from the head—that he called Lord Dundonald a foreigner and a stranger. Let me tell him that Lord Dundonald is neither a foreigner nor a stranger either in Canada or in any land under the British flag. Take the right hon. gentleman's words in 'Hansard' where he leads up to these expressions and endeavours to make it appear that Lord Dundonald was selecting these officers when he said the hon. Minister of Agriculture had a greater right to do it, and it will be seen that he was neither fair nor just to Lord Dundonald. Lord Dundonald was pursuing a constitutional course, and the right hon. Prime Minister knows it. He had no politics, but he trusted his brigadier, Colonel Whitley, a man of experience and judgment in military matters, not like the hon. Minister of Agriculture, he trusted Colonel Smart, a man of experience and judgment in military matters also, men who knew the country and who, although they did not know every grit heeler in every polling subdivision as well as the hon. Minister of Agriculture did, at all events showed that they knew the free men of that locality just as well as the hon. Minister of Agriculture did, he trusted to the judgment of officers appointed by the government of Canada. He pursued a constitutional course. Yet, the right hon. Prime Minister sought to make it appear that Lord Dundonald had made these appointments. I do not charge the right hon. gentleman with anything improper farther than that he was endeavouring to make a little political capital out of the course of the government in bouncing Lord Dundonald by trying to make it appear that Lord Dundonald and not these officers was picking the officers of that regiment and it was at that time, when, carried away by the impulse of the moment,

that he made that unfortunate break which does him little credit. It is not necessary that he should explain what the French idiom means. The word in French or English means a man unknown, an alien, a foreigner, an outsider, a man who does not belong to us. He cannot explain it away in French or English.

Now, I will come down to the point where the hon. Minister of Agriculture has been caught red-handed in deception and I am afraid that the hon. Minister of Militia and Defence will require to keep on his best bib and tucker in order to convince his friends throughout the country, that he has not been caught red-handed in a piece of the pettiest political intrigue that the Dominion of Canada has ever furnished in my time, at all events. I shall not read all the letters. My good friend the leader of the opposition has pointed them out very carefully in their order and has made all the points that it is possible to make out of them. All I shall do is to summarize. The evidence of political interference is apparent from start to finish. The hon. minister writes on the 20th May:

I have written to our friends.

There is another letter written by Colonel Whitley on May 22nd, from Toronto to the hon. minister, in which he says:

You will remember the Minister of Militia pointed out that it was not nceessary to have all the officers (which of course is the most difficult part of the organization) at first, they can follow and be selected with much more care and consideration later on.

Then he goes on :

I think I told you, in Ottawa, my views re the drinking question. I dread an intemperate officer, they are useless, indeed of great harm wherever they appear and candidly I would prefer political opponents to such.

The hon. Minister of Agriculture was not honest enough to tell the House who the drinking Liberal was who was being appointed. We want to know who the officer was but the hon. gentleman did not give us his name.

Mr. FISHER. You will find that Colonel Whitley did not recommend anybody who was a drunkard.

Mr. SAM. HUGHES. Well, Colonel Whitley is here in black and white reasoning with the minister. It was evidently the Minister of Agriculture that was recommending the drunkard. I shall read it again :

I think I told you, in Ottawa, my views re the drinking question. I dread an intemperate officer——

So would any one in command of a regiment.

Mr. SAM. HUGHES.

—they are useless, indeed of great harm wherever they appear, and candidly I would prefer political opponents to such.

A sober Tory rather than a drunken Grit.

Mr. R. JOHNSTON. Perhaps he drank that case of Walker's whisky which was purchased in England.

Mr. SAM. HUGHES. No, I think that case was all drunk over at Wolverhampton unless the hon. minister brought some of it here. If he did he would keep it for his own special use. On May 10th, the hon. Minister of Agriculture wrote to Mr. Clinton Benham. Every one knows that Mr. Benham is a very respectable Liberal in the eastern townships :

Would you care to join and take a captaincy or a lieutenancy ?

The hon. Minister of Agriculture meddling and trampling responsible government under foot—tramping on Colonel Smart, on Colonel Whitley, on Colonel Roy and on the General Officer Commanding. Meddling, meddling! Then he goes on:

It would be only a matter of a few years for our men to work up into one or two of these positions, but in the meantime those who have no military experience must commence lower down.

Then he goes on in another letter in which he writes to Mr. Benham.

He——

Colonel Smart——

—and Mr. Parmelee and I have been discussing matters here at length, and Mr. Parmalee and I are satisfied that he is honestly desirous of remedying these mistakes and doing anything he can to meet our views.

The views of the two politicians of the riding. I have just pointed out the unfair action of the hon. gentleman referred to here as Mr. Parmelee in trying to knife Colonel Smart because he stood by his right as an officer of the militia. The letter goes on:

It is impossible, however, to make all the changes that our friends would like. The most important ones, have, however, been made.

Letter after letter points out that the hon. Minister of Agriculture is trying to make of this regiment a regular Liberal preserve.

The Minister of Militia in his innocence has admitted in the former debate that when he went away he left the matter to be dealt with by his colleague the Minister of Agriculture, but that he told the deputy minister to see that the Minister of Agriculture dealt with this matter. Colonel Smart and Colonel Whitley anxious to get this matter pressed through were directed to meet our friend the Minister of Militia in Montreal. I do not know what transpired there, all we know is that they met and that Colonel Smart came to Ottawa the

next morning and the Minister of Agriculture has admitted that whether Dr. Pickel retired or not, it was prearranged between the Minister of Militia, the Minister of Agriculture and Colonel Smart that the 'Gazette' should go through without Dr. Pickel's name. That being the case, what can we think of the Minister of Agriculture standup in his place in the House as he did only yesterday and trying to make it appear that he was influenced to drop Dr. Pickel's name out owing to the fact that Dr. Pickel had withdrawn to Colonel Smart on the 19th and that he had received a letter from Colonel Smart that day. When the Prime Minister lays that fact before the Governor General—no I do not think it need go that far—when the Prime Minister reflects on it in his own mind, whatever his personal views may be, he will believe that the honour of the Dominion of Canada will not permit that a man of the calibre of the Minister of Agriculture should remain in office an hour. I do not see how the Prime Minister can retain a minister guilty of the trickery and deception——

Sir WILFRID LAURIER. Order.

Mr. SAM. HUGHES. Will the Prime Minister tell me what word I can use ?

Sir WILFRID LAURIER. It is not for me to instruct the hon. gentleman. I wish to call your attention Mr. Speaker, to the fact that the hon. gentleman has just stated that the Minister of Agriculture was guilty of trickery.

Mr. SPEAKER. I think the hon. gentleman knows very well that that is not parliamentary.

Mr. SAM. HUGHES. I do not know it is not parliamentary, Mr. Speaker.

Mr. FISHER. I think Mr. Speaker, you will have to inform the hon. gentleman that it is not.

Mr. SAM. HUGHES. I read the rules of parliament very carefully, and I do not want to trespass on the rules of parliament but if you say that the word trickery is unparliamentary, I shall retract the word.

Mr. SPEAKER. I certainly say it is unparliamentary ; there is no question about it at all.

Mr. SAM. HUGHES. I retract the word. Is deception unparliamentary ?

Mr. SPEAKER. I think so.

Mr. SAM. HUGHES. Then how in the name of goodness can I use a term that is parliamentary ?

Mr. BRODEUR. Order, order.

Mr. SAM. HUGHES. I cannot get any language that is not unparliamentary which is fit to characterize the action of the hon. the Minister of Agriculture.

We have here the 'Gazette' brought up by Colonel Smart. At the head it is dated May 19, 1904. That is the 'Gazette' as it left the department. It is signed 'Dundonald, Major General.' Then there is a note : 'As a special case, so and so will be required to pass the qualifying examination.' Then we find a note : 'not approved, Sydney Fisher, for F. W. Borden,' and there it is dated for Mr. Fisher's signature, May 19, 1904. I am not going to say when that was sent to the Council, all I know is that the Minister of Militia has confessed that he slipped out of the city leaving the matter and told the deputy to arrange it with the Minister of Agriculture and that Colonel Smart also says it was prearranged, that whether Dr. Pickel withdrew or not, his name was to be dropped, but for the sake of form, in order to prevent any ruction in the regiment, Dr. Pickel was to be induced if possible to withdraw. We have the statement of the Minister of Agriculture that Colonel Smart came to him as though it was a matter of surprise with this 'Gazette' and asked to have it shoved through Council on that day, and we have his admission, drawn from him by the leader of the opposition, that he had prearranged that whether Dr. Pickel withdrew or not that name was to be dropped. I leave it to the Prime Minister in his calm moments to supply me with a word that will cover the action of the Minister of Agriculture. I can find no parliamentary term harsh enough to characterize it.

The minister claimed a good deal of credit for appointing young Holland over Mr. Russell, a Liberal. He did not state that he had first insisted on Mr. Russell being appointed to command the squadron and on its being objected to, he consented to Mr. Holland being appointed. He stated that it was his action that forced Holland over Russell. I want to tell him that men who are regarded by people of the eastern townships as much more reliable than he is state the contrary, and that the minister first wished Russell's name to go and then he consented to Holland's name being placed over Russell's.

Mr. FISHER. There is absolutely no foundation for that statement.

Mr. SAM. HUGHES. I have a great deal of foundation in my hand for it.

Mr. FISHER. I demand that the hon. gentleman shall show the statements he has which he says will prove it.

Mr. SAM. HUGHES. I want the Minister of Agriculture to remember that I do not require any statement to show him or any one else in this House. I want the Minister of Agriculutre to know that my word passes current where his word will not be accepted, and that when I make a statement in this House I am not going to have any four-cornered gentleman to get up and demand of me that I give the name or the letter in order that the little, petty, persecuting tyrannny of the Minister of Agriculture——

Some hon. MEMBERS. Hear, hear.

Mr. SAM. HUGHES. I want him to understand where he belongs. He also claims—and I am within the judgment of this House if yesterday as on a former occasion, he did not make it appear deliberately that Captain Adams or whatever his rank may be was a resident of the eastern townships and knew the country well. He did not tell us, although he must have known it to be true, that Captain Adams has been a resident of Montreal for a long time, and that gentlemen who live in Montreal know the eastern townships as well as Dr. Adams. He wanted to make it appear that he wished Captain Adams to be appointed as third in command because he lived in the eastern townships. He did not say so in so many words, but he gave that impression by that power of equivocating that he possesses, of saying a thing to be taken one way but to mean something different. Captain Adams does not live in the eastern townships. Captain Adams lives in Montreal. The Minister of Militia has made the statement that he communicated with Colonel Whitley some time ago in relation to this matter. May I ask him whether he has brought down the correspondence in that behalf?

Sir FREDERICK BORDEN. As I informed my hon. friend the leader of the opposition, I sent a letter to Colonel Whitley asking for his permission to do so. I hope to have that to-day, and I will bring down the papers as soon as I get it.

Mr. SAM. HUGHES. The Minister of Agriculture has boasted that he wished to give Major Carr the command of 'E' squadron, and that he knew that Major Carr was a Tory. He wished to make out that he was going to do this out of the magnanimity of his heart. What was his game? It was to give that to Major Carr so that he could put a Liberal in command of the Knowlton squadron in Major Carr's place. He also boasts that he accepted Surgeon-Major Macdonald and Surgeon-Lieutenant Martin for the regiment. He did not tell us that he understood that Doctor Macdonald was going to retire, and that in that event, ignoring the claims of Surgeon-Lieutenant Martin, a doctor of great experience in the eastern townships, he wished to place over his head another doctor who is a Liberal. Another point in connection with that is, that of the two squadrons transferred from the 6th Hussars one was commanded by a Liberal and the other by a Conservative, and they are both capable and efficient cavalry officers. For the new squadrons two Liberals were selected and one Conservative, Doctor Pickel. Does that look like partisanship on the part of Colonel Smart? And yet, according to the Minister of Agriculture, this was going to be made a Tory hive by Colonel Smart and Colonel Whitley, a life-long Liberal. The Minister of Agriculture speaks of the Baker clique. Has he produced the slightest tittle of evidence, other than his own words, to prove that the Baker clique, as he calls them, directly or indirectly, sought to influence these people politically? He knows, if he knows anything about that district—and I do not think he knows much about it—that the rifle ranges are on the property of Doctor Pickel and his friends, that it is there they practice, that the grain is trampled down every year by the people coming to the rifle shooting, and that Doctor Pickel is the leading man in that district in every respect, except the one of military qualification.

Some hon. MEMBERS. Oh.

Mr. SAM. HUGHES. Yes, and if my hon. friend the Minister of Agriculture had been managing in the veldt, he would have ruled out Christian DeWet and General Delarey on the same ground as he ruled out Doctor Pickel; because I am satisfied that they are both sensible men, and would have been Tories as well as good soldiers.

The Minister of Militia, according to the Toronto 'Globe,' referred to the General Officer Commanding as having made very impolitic speeches when he was sent out to the Pacific coast in British Columbia. I do not remember what the General Officer Commanding said, but I saw it reported at the time, and I thought he was very temperate in his remarks. Every school boy should know that the two islands about which hon. gentlemen opposite made so much fuss in order to create a prejudice against British institutions, are utterly worthless from a strategic point of view. I saw it stated in the government organ that the minister was very much displeased because Lord Dundonald had made those speeches, so that he must have said something in a lucid moment.

Sir FREDERICK BORDEN. Since my hon. friend has referred to that, I may say that this is what took place. I found that the General Officer Commanding, without my consent, without consulting me, was making a trip to the islands referred to, about which so much discussion has taken place. I telegraphed to the General Officer Commanding to be good enough to get a letter which I was writing to him, and which would be addressed to Victoria, British Columbia. That letter requested him particularly, under the circumstances, to say nothing in public with reference to the matter. He disregarded my instructions absolutely. He got the letter, but paid no attention to it. He took the very first opportunity to make speeches, and he made them on every public occasion in British Columbia.

Mr. SAM. HUGHES. The minister, I suppose, wished him to keep his mouth shut, and let every other officer of the government do the shouting all over the country. He wished the ally of 'Cap.' Sullivan—I refer

to Mr. Aylesworth—to do the talking all over the empire, and wanted the General Officer Commanding to keep silent. Yet everybody knows that the judgment of Lord Dundonald, so far as those two islands are concerned, was absolutely correct. These hon. gentlemen had their Alaskan boundary commissioners in England violating every rule of judicial decency by giving away the decision of the commission before the formal judgment, in order to create prejudice against British institutions and make a fuss over two little twopenny halfpenny islands, which were not worth a five cent piece for strategic purposes. In the summer time, if the sea should subside 22 feet there would be absolute connection between them and the mainland, while in high water the channel is only 200 yards wide. The natural seagoing channel is the wide channel, not the one separating the two islands from the United States mainland. But, for purposes of their own, these gentlemen got their commissioners in the old country to express opinions in advance, and flaunted these around with the sole object of creating an impression in this country inimical to British institutions. When Lord Dundonald went out to the Pacific coast he was telegraphed to and a letter written to him ordering him to keep his mouth closed and not to express an opinion as to the strategic value of those islands. When Lord Dundonald made those speeches, and happened to say that those islands had no strategic value, he did so in order to give confidence to the people of Canada, which hon. gentlemen opposite had sought by their doings to shake.

Now, Mr. Speaker, I make the deliberate statement that Lord Dundonald has been an absolute success as a General Officer Commanding. This statement is confirmed by the fact that the Minister of Militia himself pronounced a eulogy upon that gentleman only last October at a banquet in the city of Montreal, where he spoke as follows :

> We might congratulate ourselves in this country on having at the head of the Militia Department a gentleman who understood the importance of all he (Sir Frederick) has said. (Cheers.) He was not only a great warrior, as he had proved in a dozen battles—(cheers)—but he was a man of sound sense and judgment, who was here for the purpose not of self-aggrandizement, not of playing to the gallery and having his name and praises sounded on every possible opportunity, but of developing the material he found into one of the best fighting forces on the earth.

These were the views of the Minister of Militia regarding Lord Dundonald, and I do not need to enlarge upon them. In every sense even in his remarks at Montreal, Lord Dundonald has been constitutional. He may have, in the opinion of some, committed a little breach of etiquette, but his whole course was constitutional. He did not seek to violate the constitution in any way. He did not seek to usurp the functions of the Governor General or of the minister. He did not refuse to obey the instructions of the minister or seek to control parliament. He did not deliberately slander Canadians by charging them with disloyalty. In every sense he has shown himself to be the antithesis of the gentleman with whom our hon. friends opposite would seek to compare him. He has in every sense been loyal and true to the empire and to Canada. The exhibition given us by the Minister of Militia last night shows that there must have been bad blood between him and the general for some time. We have heard all sorts of rumours about friction between the deputy minister and Lord Dundonald. It is stated that the minister chose to send his orders through his deputy, and that it was the deputy who was giving orders to the general. That is not the course pursued in the old land, nor do I think it is the constitutional course. The General Officer Commanding, being at the head of the military branch of the government, should have been communicated with directly by the minister or his secretary. That however, is a mere detail. At all events some of the correspondence is not couched in as courteous language as it might have been, and any one can see that there was friction. Under the circumstances it was the duty of the Minister of Militia not to treasure up in his heart the spleen and malice which he let loose last night, but to have stooped to conquer and brought about a better understanding between the officers of his department and himself. Let me now quote from Todd, Volume 2, page 17 on the constitutional question. Todd says :

> It is of the first importance to the public interests that the best possible understanding should prevail between the permanent officers of the Crown and their political chiefs. This can only be ensured by reciprocal confidence and respect; and nothing has contributed more to elevate the English administrative system to its present high standard of excellence than the uniform maintenance of a spirit of hearty co-operation and mutual goodwill between the political and permanent servants of the Crown, totally irrespective of personal opinions of the politics of the day.

Then he goes on to quote from the opinions of Mr. Disraeli on that subject. This unpleasantness between the minister and the General Officer Commanding culminated in the abdication by the Minister of Militia of his duties and powers and in his handing them over in a surreptitious manner to the Minister of Agriculture in order to thwart the wishes of the officers who were organizing this regiment in the eastern townships. I do not know where the Minister of Agriculture got his authority, but I think all this business must have opened the eyes of the Prime Minister to the fact that the people of this country no longer worship him

as they did, if they ever did so. Supposing Lord Dundonald did commit a breach of etiquette by making the speech he did at Montreal, he had two or three courses open to him. He could have appealed to the Prime Minister and no doubt his appeal would have been pigeon-holed ; or if he sent it to the Minister of Militia, that minister would likely have refused to forward it. He could have resigned and washed his hands of the whole business and gone out of the country with a great name, or he could have taken the course he did ; and I maintain that in taking that course he has shown that he was actuated by the highest regard for the interests of this country. In any event, the worst charge brought against him is that he committed a breach of etiquette. But what were the offences of the Minister of Agriculture ? That minister was guilty of a breach of etiquette just the same as Lord Dundonald was. When Lord Dundonald telephoned him to arrange a meeting, the minister said : I will go and see you. But he never did. Lord Dundonald telephoned again, and the minister again said : I will call around at your office and see you. And he never kept his promise. That was a breach of etiquette.

An hon. MEMBER. A breach of promise.

Mr. SAM. HUGHES : They say that my hon. friend the Minister of Agriculture has never left himself open to any charge of breach of promise, but merely breaches of etiquette. He is open to the charge of breach of etiquette for having overlooked the General Officer Commanding, for having acted in collusion with the Minister of Militia through Colonel Smart, when he brought this Order in Council to the Council meeting without the knowledge of the General Officer Commanding, brought it in a mutilated shape. He has been proven guilty of having interfered in the selection of the officers in the eastern townships and of having overridden the statute of Canada by preventing the General Officer Commanding having a free hand in the selection of officers. He has been proven guilty of having introduced partisan politics into the militia. Let me refer to the words of an American on that subject, Captain Mahan, who showed that the reason why the Canadians defeated the Americans in 1812 was because the Canadians were united, whereas the Americans were disunited and suffered from political meddling and interfering with the troops. Charles Francis Adams, one of the American statesmen and a veteran of the recent civil war, said :

> When we were blackened by the smoke of Antietam we did not ask or care whether those who stood shoulder to shoulder beside us—whether he who led us—whether those who sustained us were Democrats or Republicans, Conservatives or Radicals ; we asked only that they might prove as true as was the steel we grasped, and as brave as ourselves would fain have been. When we stood like a wall of stone, vomiting fire from the heights of Gettysburg, nailed to our position through three long days of mortal hell, did we ask each other whether that brave officer who fell while gallantly leading the counter charge, whether that cool gunner steadily serving his piece before us, midst gasping comrades, crushed and torn, and dying in agony around us, had voted for Lincoln or Douglas, for Breckenbridge or Bell. We then were full of other thoughts. We prized men for what they were worth to the common country of us all, and reckoned not of empty words. Was the man true, was he brave, was he earnest, was all we thought of then ; not, did he vote or think with us, or label himself with our party name ?

I commend these words to the First Minister and the people of Canada, and I trust whatever may be the future of the Minister of Agriculture, whether he be dismissed by the Prime Minister or not, we will never have another exhibition such as that which we have had regarding this regiment. The Minister of Agriculture is guilty of presenting—well, Mr. Speaker, I have in my notes the word 'false,' but I am not allowed to use that, so I will say 'misleading' and deceptive——

Mr. SPEAKER. I am afraid those are not parliamentary.

Mr. SAM. HUGHES. 'Misleading' is not unparliamentary.

Mr. SPEAKER. I think so.

Mr. SAM. HUGHES—Misleading statements to parliament. And when publicly exposed, how did he seek to clear himself ? We all remember, how, the other day, he so calmly read his memorandum to the House, denying that he had, either directly or indirectly, been influenced by party considerations. And when Colonel Smart's letter was produced, a letter of the existence of which he had not been aware, and the cold facts were exposed before the House, he at once turned around and admitted that he had interfered for political purposes. I charge him with being unfit to be a minister of the Crown by reason of his conduct on that occasion.

He has been guilty of collusion with the Minister of Militia. Smirk as he may, that is the fact. Possibly these gentlemen have become so hardened that they do not care what their conduct may be in these things. But men with a high sense of honour, when accused of such conduct would not smirk or grin, as I regret to see the hon. member for London (Mr. Hyman) doing.

Mr. HYMAN. It is enough to make anybody laugh.

Mr. SAM. HUGHES. It seems easy to make the hon. gentleman (Mr. Hyman) laugh ; but perhaps the laugh will be on the other side of the face before long. This

collusion—I shall not use the word 'conspiracy'—between the Minister of Militia and the gentleman who evidently has been acting as his servant, has been most reprehensible. The idea of the Minister of Militia slipping away, leaving this Order in Council to be put through and Dr. Pickel's name struck off by the Minister of Agriculture, and then, to cover it up, getting Colonel Smart's and Colonel Whitley's consent, Dr. Pickel being induced to resign his position. This is unworthy of a minister of the Crown. And, if the First Minister is true to the principles of responsible government, he will ask for the resignation of the Minister of Agriculture. I furthermore charge, Sir, that in his action as acting Minister of Militia—I presume it was done ignorantly—the Minister of Agriculture has been guilty of violation of the constitution. In 1855, when Lord John Russell was absent in Vienna, his department was taken over by another minister. This was protested against, and it was claimed that it was unconstitutional. And Sir George Grey, admitted that the facts had been correctly stated and that arrangements could not be sanctioned for any length of time, but contended that the Prime Minister was constitutionally competent to take charge of any department. Only the Prime Minister. And so I contend that the Minister of Agriculture, in seeking to act, not in a mere matter of routine business, but in an official matter of this kind, has acted in a manner clearly unjustifiable under the principles of responsible government.

Now, we have instances of men having taken the course which has been taken by Lord Dundonald. It is not long since Lord Charles Beresford, finding that the British navy was rotten, and that the machinery of government had fallen into the hands of men who were unfit to control it, came out and openly stated to the world that the navy of which he was an officer, was unfit to defend the empire. Of course there was a great disturbance about it. Of course, the machine men said: Dismiss him; off with his official head—just as some petty minds on the government side called for the head of Lord Dundonald. But Lord Charles Beresford was too big a man, and the navy too important to the empire, for any such course to be followed.

Sir FREDERICK BORDEN. If my hon. friend (Mr. Sam. Hughes) will permit me—I do not refer to that case. But, I am sure he will not object to my stating what actually occurred.

Mr. SAM. HUGHES. I happen to know what actually occurred.

Sir FREDERICK BORDEN. I was afraid he might overlook it. I might remind the House that Lord Charles Beresford wrote a letter, but the letter was published without his consent; and that, and that alone saved him from immediate dismissal from the navy. And Lord Charles Beresford wrote a humble apology which was published in the 'Times' admitting his offense.

Mr. SAM. HUGHES. Yes, after he had succeeded. And if this government had had a good sterling head to it and a Minister of Militia with backbone, if there had been a determination to maintain the interest of the country even if it required the turning adrift of the Minister of Agriculture, Lord Dundonald would have got out of his scrape as easily as Lord Charles Beresford was got out of his. But, in this respect the cases were different. Lord Charles Beresford was dealing with the very heart's blood of Great Britain—her navy. And he was backed up in what he did. The people of the House of Commons of Great Britain were independent men: not time-servers; not men sitting here in expectation of office—like the member for Hants (Mr. Russell) whom I see now taking notes, and who is sitting here with a judgeship in his pocket.

Mr. ALEX. JOHNSTON. You are getting afraid now, are you?

Mr. SAM. HUGHES. They were not men simply waiting for the dissolution of parliament in order to begin the enjoyment of the fine offices that were being dangled before them. The British parliament is composed of sterling men: and they gave the admiralty to understand that if they interfered with Lord Charles Beresford, their heads would go off too. But, to the discredit——

Mr. ALEX. JOHNSTON. Why did Lord Charles Beresford apologize?

Mr. SAM. HUGHES—I say to the discredit of the First Minister and of his colleagues in the cabinet, like the hon. gentleman from Brant—and like my hon. friend the Deputy Speaker—they sit here dumb as oysters and yield to political exigencies rather than demand that the Minister of Agriculture be made to apologize.

Mr. ALEX. JOHNSTON. Why did Lord Charles Beresford apologize?

Mr. SAM. HUGHES. I say this whole matter could have been smoothed over and Lord Dundonald kept in Canada, if the Minister of Agriculture had been kicked out and the Minister of Militia put in his proper place. I dare say, that, in that case, Lord Dundonald would have been willing to take back his utterance in Montreal, in order that the country might go on and profit by his efforts. Why, Mr. Speaker, these things are matters of arrangement. We have an instance closer to us geographically. In the Cuban war, when a certain incident arose—which the Minister of Militia seems to have followed as a precedent with his emergency ration—when the American

soldiers were being fed on embalmed beef. What occurred ? Roosevelt, the colonel of the Rough Riders, and General Miles, in command of the Yankee troops, came out and stated openly to the world that the secretary of war was guilty of neglect of his duty. And their utterances claimed the attention and roused the spirit of the Yankee nation. The feeling was so strong that, instead of dispensing with the services of General Miles and Colonel Roosevelt, the President was forced to give the secretary of war his walking ticket. And it would have been much more to the credit of the First Minister, if, when this utterance of Lord Dundonald was brought to his attention, he had made the Minister of Agriculture get down on his knees and apologize, or had kicked him out and retained the services of the General Officer Commanding. But he chose the other course. He said : We are a ring of political buccaneers and we are going to stand or fall together : The Montreal 'Herald' is too powerful an organ in the province of Quebec : I dare not turn out the Minister of Agriculture, for he is master not only of himself, but of the Minister of Militia (Sir Frederick Borden), and the Minister of Public Works (Mr. Sutherland). And, it is said, Mr. Speaker, that he is the master of the Minister of the Interior (Mr. Sifton) politically, but when it came to the scrapping, if all they say is true, the Minister of the Interior got the start of him in the fisticuffs encounter. The First Minister dare not dispense with the services of the Minister of Agriculture, and so Lord Dundonald had to go and the Canadian militia had to suffer.

There is just another aspect to this case. I wish to read an article from the 'Globe' and 'Commercial Advertiser,' of New York, of June 22nd, day before yesterday :

Editor of the 'Globe' :

Sir,—Within the last two weeks I have received information from high sources that Canada was at or near the parting of the ways with Great Britain. First, from the editor of a leading newspaper of Ontario, which supports Sir Wilfrid Laurier ; second, from a member of the parliament of the Dominion ; third from a Canadian at the head of a great business house here, who also has very large interests in Canada and is in constant communication with powerful political leaders there. The dismissal of Lord Dundonald by Sir Wilfrid Laurier's government and the appointment of a Canadian major general of the military forces of the Dominion, if resented by the imperial government, may sunder the tie that binds Canada to the empire.

This is followed by a lot of statements backing up his position, and it is signed by a good old Liberal, Francis Wayland Glenn. Now, Sir, no one in this country who is not blind can shut his eyes to the fact that for a long time there has been a desire on the part of—what shall I term them ?—a little red republican and radical school in the party of hon. gentlemen opposite, led by the hon. member for Labelle (Mr. Bourassa), who has now a supporter in our young and innocent friend from Montmagny (Mr. A. Lavergne). We are not blind to the actions of the First Minister in having these young gentlemen, at stated periods, break out, turn themselves loose on the innocent public in the province of Quebec, and utter, I shall not say treasonable words, but words looking towards Canadian independence, throwing off the ties that bind us to Great Britain. When these gentlemen go a little too far the Prime Minister pats them on the back and says : You are going a little too fast, boys, don't go so far, you will frighten the people in Ontario and the other provinces ; just keep the pot boiling a little, and we will come out all right. We have all seen that for some time.

Mr. A. LAVERGNE. Where?

Mr. SAM. HUGHES. All over the province of Quebec, and elsewhere. We have found these young gentlemen——

Mr. A. LAVERGNE. Give us one instance.

Mr. SAM. HUGHES. We have heard their speeches in this House, we have heard speeches produced in this House made by these hon. gentlemen and their friends before the last general election in the province of Quebec. We have had documents here, sworn to, and published in the 'Hansard.' My young friend is very innocent, or he would not ask such a question. More than that, we have seen that spirit manifested here by these gentlemen again and again. I do not know who that Liberal friend is that informs Mr. Glenn of these things he mentions in his letter ; but at all events, our friends opposite are gradually going in that direction. They demand the making of our own treaties, they demand that there shall be no appeal to the Privy Council, they demand that we shall have a Canadian General Officer Commanding, they demand that every tie that binds us to the motherland, except the old flag, shall be cut asunder, except that one link the Governor General ; and then it will be a mighty short time until they come out and demand a republic. Whether that is the aim of the Minister of Agriculture, who, on his recent trip to Japan has been lecturing to the Geisha girls, whether he has the desire to supplant the Prime Minister and become a sort of president of a new republic, I do not know. At all events, there is no use in shutting our eyes to the fact that the tendency of these gentlemen is in that direction.

Now, I may say that some years ago, when I had an opportunity of standing up for the rights of the people of Canada against the tyranny of the General Officer

Commanding, not because he was a Britisher but because he was taking an unconstitutional course, I had the privilege then of proceeding along certain lines which had been laid down for upwards of a hundred years in the parliament of Great Britain. I resented the illegal action of that officer. Our good friends opposite do not seem to be able to see the difference between an illegal action and a legal one. I say here that if it can be shown that Lord Dundonald practiced any of the illegal actions that General Hutton practiced, I shall be the first to admit that the government did right in dismissing him. But neither directly nor indirectly have they shown the first solitary instance where Lord Dundonald's course has not been thoroughly constitutional, thoroughly in line with the spirit of responsible government. When the movement was on foot to have a Canadian General Officer Commanding succeed General Hutton, I took the opportunity on February 25, 1901, to say this in the House of Commons :

> That in brief, is the correspondence. I have brought this matter up, not in order to vindicate myself, and not because I have any objection to the General Officer Commanding the Canadian forces being a British general. On the contrary, I desire that our General Officer Commanding should be a British general. I know that a great many of my friends, both on the other side of the House and on this side, in view of the conduct of some of the General Officers in recent years have expressed the wish that a Canadian officer should be appointed to that position. I wish to say, standing here that it is my desire that the General Officer Commanding should be an imperial officer and I believe that if we paid that officer $10,000 a year, which is the pay of a major general in England, and is about what little New South Wales pays to her General Officer Commanding we would get an officer to come out here to take command of our troops who would be a credit to the position and to the empire.

Lord Dundonald came to this country a credit in every sense to the empire. And here it may not be out of place for me to give a few of the reasons of that spirit of antagonism to Lord Dundonald. Who can fail to understand the spirit manifested both by the Minister of Agriculture and by the Minister of Militia last night ? Who can fail, I say, to observe that the antagonism to Lord Dundonald was due to the fact that he was a member of the British aristocracy, and because he was a member of the British army. It ill becomes gentlemen who, a few years ago, boasted themselves as democrats to the hilt, and who on every occasion since have been sacrificing their previously professed principles for titles and for offices—I say it ill becomes them to stand up in this House and sneer at any one because he is a member of the British aristocracy. I maintain that the General Officer Commanding the Canadian troops should be an imperial officer, not because Canadians are not capable of filling the post, because I believe Canadians are capable, not only of being General Officers Commanding in Canada, provided they have the necessary training, but they are capable of being Commanders-in-Chief of the imperial armies, provided they have the necessary training. I want him to be an imperial officer, not because he might be an Englishman, because, although some Englishmen may be bumptious, we have seen Canadians who are bumptious also. That is not a fault belonging exclusively to Englishmen. There are some Frenchmen, there are many in England, some in Scotland and a few in Ireland who are inclined to stick to their own opinions. You will find that all over the world. I want an imperial officer, not because he may be an imperial aristocrat—although let me say this, that other things being equal, a man from the ranks of the aristocracy, if he is thoroughly trained, should be just as good a man at all events to command our militiary forces as any one else. So it should be no drawback to a man that he is an aristocrat. I say that in Lord Dundonald the Canadian government have had a true aristocrat, a gentleman who has done credit to Canada and has been a credit to the empire. I want an imperial General Officer Commanding, not because he is a better man, but because he is better trained ; I want an imperial General Officer Commanding because, if he turns out to be objectionable, we can get rid of him, because there is a greater field for selection in the imperial service than in the Canadian service ; because changes are beneficial ; because there is less jealousy arising in Canada when there is an imperial officer than when there is a colonial officer, because there is a greater selection in the imperial service than in the Canadian service, because changes are beneficial, because there is less jealousy arising in Canada when there is an imperial officer than when there is a colonial, because there is less intrigue, influence and unscrupulousness exerted in the appointment of officers—we have an instance in the organization of this regiment alone of intrigue, influence and unscrupulousness having been brought to bear in order to keep certain officers out of that regiment—because an imperial trained officer has greater chances of becoming proficient than a Canadian trained officer has, because if we limit ourselves to a Canadian General Officer it would tend to prevent the introduction of that system which we hope soon to see in force, an exchange of officers between the two services, because to limit the selection to a Canadian would tend to exclude Canadians from positions in the great imperial army of the British empire, because the retaining of an imperial officer is a link between the old empire and the

colony, because in the future of the empire the day is not far distant when there will be one great imperial militia and one great imperial army for the whole empire. Let it be understood that Canada's fighting force must of necessity be the militia. We want no great standing army in this country. The militia is democratic and of the people. A standing army is aristocratic and tends to breed autocrats and oligarchs whom we find exemplified in the hon. Minister of Agriculture. The militia, while maintaining law and order, defending the country and giving the youth of the land necesary discipline, preserves a proper balance between the people and the executive, between an ultra democracy and an aristocracy. The militia upbuilds the independent man and makes all men more self--reliant. The militia trains the mass of the people of the nation as against a few trained by the regular army system. The militia suppresses the spirit of militarism while the standing army develops it. I do not know that it is necessary to go on further, I was going to point out but I shall take another occasion to do it that there is an agitation going on through the country to get rid of the connection between Great Britain and the colonies in so far as it is possible by removing the treaty making power from Great Britain. However, I shall take another occasion to deal with this question. I desire to be through before six o'clock because I understand the right hon. Prime Minister does not want to go on after six.

Sir WILFRID LAURIER. Certainly we will go on after six.

Mr. SAM. HUGHES. Gentlemen, in urging the abolition of a British officer commanding have been pointing out in glowing terms the desirability of having a Canadian. Are Canadians and is Canada more independent of improper influences than Britain or Britishers have been ? Are all appointments in Canada made solely on the basis of merit and fitness ? Would Canada be less under the control of such men, women and methods as are complained of than Britain has been ? Is the influence of the ladies less potent in Canada than in Britain ? Are the smiles and the glances of Canadian women less bewitching, less magical with Canadian statesmen and soldiers than are those of Britain's court society beauties upon imperial officers and statesmen ? Are the hearts of Canada's gallant soldiers and cultured ministers more invulnerable to such ? Have policies, regulations and appointments in Canada, as well as in Britain, ever been influenced by a touch of 'The maddening lips of wine, or the wanton ones of beauty ?' Do Canadian statesmen ever permit nepotism—I notice that the right hon. Minister of Trade and Commerce (Sir Richard Cartwright) is absent—to influence their judgment and actions, or are not appointments in Canada sometimes limited only by the sons and other family connections of ministers ? Or are all things in civil and military affairs in Canada moulded upon right, duty, honour and efficiency ? If Canada can say that she is all these then and then only will it be time to say that a Canadian General Officer Commanding will be freer from these influences than if we bring one from the old country. We are told that it would be a great advantage if we had the treaty making power, if we had the right to arrest people for offences committed beyond our borders and if we had no appeal from our courts to the judicial committee of the Privy Council. Within a hundred years there is not a nation in Europe that has not changed its situation or changed its boundary except Great Britain—not a nation. Take the map of Europe of one hundred years ago and you will scarcely find a country to-day that has the same geographical formation. You will find a score of countries that have existed, that have had the right to make their own treaties, carry out their own extradition treaties to fly their own flag and these countries have all vanished from the map or they have been moulded into some other constitutional or geographical formation. Great Britain is the only country that has flown the old flag for a thousand years, and I am satisfied that the people of Canada are in favour of maintaining that association with the old land for all time to come. I am satisfied that we are not going to sacrifice the substance for the shadow. We are not going, for the sake of having a Canadian General Officer Commanding in order to afford patronage and pull for one locality or another, to enact a law that will deprive us of the services of a well trained man from the British empire. We are not going to dispense with an appeal to the judicial committee of the Privy Council, we are not going to demand or get the right to make independent treaties. Let Canada be consulted by all means, but treaties have to be negotiated under the old flag and we are not going to sever almost the only link that binds us to the mother country. We are going to stand true to the old alliance and the union is going to be rather closer in the future than it has been in the past.

In conclusion I would say to the right hon. Prime Minister that I maintain that it is his bounden duty in view of the offences that have proven to have been committed by the hon. Minister of Agriculture to remove that officer from the government. I am satisfied the country will stop short of nothing else than that, and Sir, if the right hon. gentleman does not see his way clear to do that I maintain that if the facts are placed properly before the representative of the sovereign in this country there is no other course open to him than to dismiss the government. The right hon. gentleman may smile but I want to tell him

that the Governor General has just as much constitutional right to dismiss him as he has to take the head off the General Officer Commanding. The Governor may dismiss the ministry upon any of the following grounds : He may constitutionally dismiss the ministry, first :

If they exhibit internal dissensions amongst themselves,——

Let me ask, Mr. Speaker, if these hon. gentlemen have not had internal dissentions. Have we not the remark of one of them to the effect that they 'fight like blazes amongst themselves ?' Have we not had the example of one minister, the late Minister of Public Works, leaving the government a short time ago followed by the Minister of Railways and Canals and now we find through the power of the new Minister of Marine and Fisheries the present hon. Minister of Public Works (Mr. Sutherland) practically turned out of his job and sent adrift. Then we hear rumours of friction between the Minister of the Interior and the Minister of Agriculture so that we find internal dissensions of every kind among the ministers.

The Governor may dismiss his ministers.

If they differ from the sovereign or from the country at large upon a question of public policy.

I do not know about the governor but they differ from the country on the question of public policy in regard to the meddling by the Minister of Agriculture in the formation of regiments so that under this head these gentlemen are as liable to be dismissed by the governor as Lord Dundonald was to be dismissed by them. They stand on the rock of responsible government and so do I in demanding that action may be taken in relation to the conduct of the Minister of Agriculture.

The governor may dismiss them,

If their measures are ruinous to the country at home or abroad.

Without pointing to any of the iniquitous measures which they have recently passed, such as the Grand Trunk Pacific Bill, I maintain that the principles embodied in the conduct of the Minister of Agriculture and the actions resulting from them are ruinous to the Dominion of Canada both at home and abroad. Furthermore the governor may dismiss them

If there should exist a general feeling of distrust and disapprobation of them throughout the country.

I maintain that in each and every one of these matters, the feeling of distrust in the country has been exemplified. No words that I can utter could add to Lord Dundonald's standing in the country. No words that I can utter are required to give him a warmer place in the hearts of the people of Canada than he already holds, and I am sorry from the bottom of my heart that this incident has occurred. Let me point out to the Minister of Militia and to the government that the Conservative party in this House and the country have kept politics out of the militia. We have had many occasions when we could have made a little party capital, as the First Minister knows, but I leave it to the hon. member for Norfolk (Mr. Tisdale) and the hon. member for Lanark (Mr. Haggart), the old heads of the party to say if for many and many a year we have not prevented in our caucus anything that might savour of an attack on the military policy of this country. We felt that there was an uneducated spirit abroad, a fear of militarism which is the antithesis of a militia system. There are people who believe that anything favouring a scarlet coat and rifle is tending towards a standing army. It is essential that the public should be informed that the real position is exactly contrary to that, and that with a proper militia system you need no standing army, that a militia system and a standing army are absolute antitheses. I leave it to the hon. gentlemen if the policy of the Conservative party for at least fifteen sessions has not been to repress that spirit of criticising anything in the military system on either side. So long as there was any possibility of harmonizing the differences we wanted to stand shoulder to shoulder with the Minister of Militia in upbuilding the militia force of the country, and the hon. gentlemen opposite cannot point out one case where we have violated that policy. If this conduct of the Minister of Agriculture is condoned by the government all I have to say is that the Minister of Militia and the Prime Minister will have themselves to blame if the old truce that has so long and happily existed between the two parties is broken, and if henceforth we treat the militia of Canada as if it was an institution to be controlled by politics rather than by the best interests of the country. The Minister of Militia made an appeal to the militia last night. I see our diminutive friend from Hants (Mr. Russell) is very impatient to get off some of his little work. I presume it will be his final speech in the House, in consequence of the telegrams of which we have heard urging that he be appointed a judge instead of someone else. I see he is very impatient to get at me, and I want to let him at me. The Minister of Militia made an impassioned appeal in his remarks to the militia of Canada. I wish to tell him that he has occupied a warm place in the hearts of the militia of Canada, because they have had faith in his honour and fair play. That is why he has been warmly regarded by them, and not for any personal influence. Men are respected and honoured not for the mere human flesh and blood that is in them. The Minister of Militia, Lord Dundonald and your humble servant in a hundred years will have passed away and be forgotten, but

the principles for which we stand and fight to-day are what will last and what will be eternal. Let no one of us forget for an instant that we are creatures of an hour. Should we pass away to-day our places would be filled to-morrow, but the principles that we lay down here, these ideas that are going down in 'Hansard,' the principle at issue in the question whether it is right for the Minister of Agriculture to be able to meddle with the officers of the government responsible for the formation of a regiment or whether he is going to be turned down and dismissed for that interference, these are what will last for all time to come.

I have been afforded very much pleasure by watching the charming expression, the Cheshire cat expression, on the face of the hon. member for Hants and I want to give him the opportunity of skinning me when he gets up and shall therefore hasten my remarks.

The First Minister in the openness of his heart, termed Lord Dundonald a foreigner. I shall conclude by quoting some verses, written by one of the boys who fought in South Africa, I find in one of the papers, which I think puts the matter in a nutshell.

I wonder if I'm a 'foreigner' ? Was I serving a foreign Queen ?
Have I lost my Canadian birthright in the places where I have been ?
I have never been under a different flag from the one on the wall there now,
But neither has Lord Dundonald ; and yet he's a 'foreigner' ? How ?
Gordons, Shropshires and Cornwalls, Boys of the Old Brigade,
Was it a stranger's welcome we got from our comrades ? No !
Right from the heart, my brothers ; and brothers' cheerful aid,
You did not know we were 'foreigners' till our premier told you so.

Mr. BENJAMIN RUSSELL (Hants). Mr. Speaker, I was struck by the pathetic face of the hon. member for Lunenburg (Mr. Kaulbach) during the reading of those eloquent verses by my hon. friend from Victoria (Mr. Sam. Hughes). He evidently feared that his laurels were about to be lost or be put into the shade. The magnificent poem which he read to us the other day is altogether eclipsed by the beautiful verses which we have just heard. I may say that I cannot feel very anxious to make a speech on this occasion, more especially perhaps because I feel a little bit like MacMorris in Henry V. :

It is no time to discourse, so Chrish save me; the day is hot, and the weather and the wars and the King and the Dukes (and the Dundonalds and the great Colonel Hugheses), it is no time to discourse.

Even if it had been otherwise in regard to all these conditions, I should have to make an apology for occupying much time because this matter has been thoroughly placed before the House, particularly in the luminous and convincing speeches of the Minister of Agriculture (Mr. Fisher) and the Minister of Militia (Sir Frederick Borden). My hon. friend has expressed his disappointment with the speech delivered by the Minister of Militia (Sir Frederick Borden). We never are disappointed with the speeches which the hon. gentleman (Mr. Hughes) delivers in this House : we always know what to expect and always get what we look for, a medley of blatherskite and rhodomontade. Pomposity and enlargement of the head were expressions which my hon. friend used in reference to the ministers. Pomposity ? Heaven save the mark ! Where will you find pomposity such as we have just witnessed ? Enlargement of the head ? Could the Almighty himself make the hon. gentleman's head still bigger than it is ? Bumptious Canadians were talked about. There are certainly bumptious Canadians the hon. gentleman says. When the hon. gentleman says there are some bumptious Canadians we are inclined, because he tells us, to accept his word.

He defends the bumptiousness, the egotism that was charged against the Earl of Dundonald by saying that he was only using a grammatical expression. It was simply a matter of grammar. Well, Sir, that was the way that Cardinal Wolsey defended himself, the way the man of unbounded stomach, ever ranking himself with princes, defended his famous ego et rex meus. The hon. gentleman himself is like Wolsey, a man of unbounded stomach, no such diminutive individual as he insists on reminding me is the humble member for Hants. His egotism recalls to mind the description by Wendell Phillips of the egotism of Andrew Johnston—it was like the mathematician's definition of infinity, with its centre everywhere and its circumference nowhere. If anything else would correctly describe the bumptiousness and the egotism and the vanity of the hon. gentleman, I would like to have it pointed out to me in all the literature of our country. He has read lectures to the Minister of Agriculture and the Minister of Militia. Well, he once read lectures to General Hutton. What is the use of my hon. friends paying much attention to his lectures, when they do not know but that the next morning he will take back all he has said, and will come crawling on that unbounded stomach of his, as he crawled once before when General Hutton brought him to book. He has named William of Orange, John Hampden and George Washington. True, they were patriots ; and they did certainly take issue with the powers of their days ; but they never went down on their stomachs and crawled, as the hon. gentleman crawled in his apoligy to General Hutton, which I am going to read for his entertainment :

Dear General Hutton,—I desire to make full and ample apology to you for certain letters written by me to you during recent months, letters written under excitement——

Well, the hon. gentleman is speaking under excitement to-day, and he will probably take back all he has said in three or four days from this, and will come to the Minister of Militia and beg for further favours, as he begged from General Hutton—

—letters written under excitement caused by—

Caused by some patriotic ebullition, by some kindling of indignant patriotism? 'Caused by the belief that I,' the great Colonel Sam. Hughes, no diminutive little fellow like the member for Hants, but a man of unbounded stomach—

—was to be debarred from participating in the deeds of a Canadian contingent in the imperial service, should one be sent to the Transvaal, a project which I as the proposer for many years felt deeply at heart. I especially regret one reflecting upon in a sense the system, but the remarks which I deemed provocation—as I construed them—were a reflection upon Canadians; two or three incidents occurring practically on one day which I from the view point of one more familiar with constitutional law——

It is well that the hon. gentleman assures us of his familiarity with constitutional law. I think he ought to repeat that under oath, if he wants us to believe it. Good old Chief Justice Young heard an affidavit read in his court one day in which a proposition of law was stated. Looking down on the practitioner, he asked: 'Does he swear to that?' 'Yes, my lord, he swears to it.' 'I am glad he swears to it,' said the judge, 'because it is a matter on which the court has been divided in opinion for some time.' The hon. gentleman should have sworn to this if he wanted us to believe that he is familiar with constitutional law. But I am doing the hon. gentleman an injustice. When I understand it better, I perceive that he only says that he was more familiar with constitutional law than he was with military practice.

—which I from the viewpoint of one more familiar with constitutional law rather than of British military practice, believed to bear upon my honour and rights as a citizen, caused me to express sentiments that are foreign to my belief in the form in which they seem.

'Believed to bear upon my honour and rights as a citizen.' Why the hon. gentleman is a regular Bombastes Furioso—

> Who dares this pair of boots displace
> Must meet Bombastes face to face.

I most respectfully wish to retract all letters written in what to your military instinct may seem insubordination, but which were not so meant by me.

What humility! I do not think a man could humble himself much more than that before the Creator of the universe.

Sir WILLIAM MULOCK. Is it signed?

Mr. RUSSELL. 'Signed Sam. Hughes'—the redoutable, only one genuine heaven-born, heaven-descended child of the gods, Sam Hughes.

Mr. SAM. HUGHES. Would the hon. gentleman allow me to say a word

Mr. RUSSELL. I cannot help it, but if the hon. gentleman breaks in upon me, I shall forget what I was going to say.

Mr. SAM. HUGHES. I wish to say that I have a great pleasure in acknowledging the authenticity of that letter, which was written when I was assured by the highest authority in the Dominion of Canada that if I retracted, I would be allowed the opportunity of serving my country in South Africa.

Mr. RUSSELL. That is exactly what I said. It was written, not because the hon. gentleman felt any sincere compunction or penitence; but he intended to continue to hold in his heart all that he had said, and he simply wrote this insincere apology in order to have the chance of going to South Africa to join the other nabobs and swells who were already there.

Mr. SAM. HUGHES. I would say furthermore that there is only one thing retracted that is, a reflection on the British officer.

An hon. MEMBER. Take your medicine.

Mr. RUSSELL. 'No chastisement for the present seemeth joyous but grievous; nevertheless afterward it yieldeth the peaceable fruits of righteousness unto them that are exercised thereby.' My hon. friend has gone elaborately into a defence of the Earl of Dundonald in respect of these matters. I do not find the defence of the Earl of Dundonald so pronouncedly in the resolution moved by the hon. leader of the opposition as in the speech which the hon. member for North Victoria has placed on 'Hansard.' I do not see it very much in the resolution; if there is anything at all you have to find it by reading between the lines. But I want to ask this House if the hon. gentleman appealed to any English precedent that justified Lord Dundonald. The only one that he referred to was immediately smashed, shattered and pulverized by the hon. Minister of Militia. It is not in any British constitutionally-governed country that he finds any precedent in justification of Lord Dundonald. Not at all. He has to go to the United States. He has to go to the American republic, to that country where they tell us anarchy prevails, and which is not ruled according to British precedents and constitutional usage. I have no doubt that my hon. friend will find precedents for whatever he may want at some time or other and in some place or other in the United States, but I should prefer that he would, as a Britisher, as a strong imperialist like myself, as a good English constitutionalist, go to that grand old country from which we derive our con-

stitutional system of government and our constitutional law and precedents, rather than to the republic of the United States. I do not propose to deal at any greater length with the hon. gentleman—at all events not just now. I may have occasion to quote some passages from a state paper of his later on, which bears on the subject immediately before the House, but for the present I will leave my hon. friend and let him vanish into space, as Cardinal Newman dismissed Mr. Kingsley in one of the chapters of his 'Apologia.'

At six o'clock House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

EDMONTON STREET RAILWAY COMPANY.

House went into Committee on Bill (No. 111) respecting the Edmonton Street Railway Company.—Mr. Oliver.

On section 5,

Mr. HAGGART. Is the Chairman of the Railway Committee here? If not, in his absence the promoter of the Bill (Mr. Oliver) perhaps, will explain the effect of this clause.

Mr. OLIVER. I cannot explain the full effect of this clause. The provision as it stands is the result of an agreement between the sub-committee of the Railway Committee and the legal advisers of the parties concerned in the Bill. I understand the general intent of the Bill to be to make this company subject to the provisions of the Railway Act, but certain exceptions are necessary of sections that apply only to steam railways. It was pointed out that this company was not subject to the Railway Act or any other General Act, and it was thought advisable to bring it under the provisions of the Railway Act so far as that Act could apply to enterprises of this kind.

Mr. HAGGART. I notice that, only one section of the Companies Act is made to apply. Why does not the whole Act apply?

Mr. OLIVER. I am not thoroughly posted on that point, not being a lawyer. There was a very closely argued dispute between the legal members of the sub-committee and the promoters of the Bill. The Bill covers not only provisions for a street railway but for certain other powers in regard to the holding of land, the working of coal mines and the carrying on of water transportation. The Companies' Clauses Act, as I understand it, would apply to that portion of the powers asked for by the Act which are not connected with the railway, but not to that part connected with the railway. Therefore, the two general Acts, the Companies Clauses Act and the Railway Act are both brought in so far as they apply to the two kinds of powers granted to the company.

Bill reported, read the third time and passed.

SUPPLY—DISMISSAL OF LORD DUNDONALD.

House resumed adjourned debate on the motion of Mr. Fielding:

That Mr. Speaker do now leave the chair for the House to go into committee of supply, and Mr. R. L. Borden's motion in amendment thereto.

Mr. BENJAMIN RUSSELL (Hants). Mr. Speaker, the hon. member (Mr. Sam. Hughes) who last addressed the House in a portion of his remarks made a personal reference to myself. I do not know that I ought to take notice of it, but perhaps it is desirable that I should refer to it in a very slight manner. He made a mysterious allusion to some telegrams in his possession, which telegrams, if he has them, have come into his possession through the dishonourable act of some one. It does not matter to me whether he has such telegrams or not, because I am not afraid, and shall never be in the least ashamed, of any record that can leap to light in regard to any ambition I ever cherished in this House or in any other place. The hon. gentleman has seen fit to cast my horoscope, and I have no reason to complain of the pleasant way in which he has done it. If I should have the happiness or good fortune to realize his benevolent expectations on my behalf, it will be my endeavour to discharge my duty in the future as I have in the past. But, so long as I continue to be a member of this parliament and of the House of Commons, I shall discharge my duty here without fear of the hon. gentleman or of anybody else, without fear, favour or affection, without seeking favours from anybody, and without affection for or from anybody but the noble constituents who have sustained me and who are willing to sustain me as often as I am able to ask their suffrages.

I shall continue, I say, to discharge my duty as a member of this House, even although occasionally it involves the disagreeable and unpleasant function which he himself described before dinner with academic chastity as occasionally skinning the skunk.

An hon. MEMBER. Where is the skunk?

Mr. RUSSELL—I am told that the hon. gentleman was taking great draughts of water before he left the House. Mr. Speaker, it was a saying of the late Joseph Hume, who was a very notable parliamentarian in his day, and who was on one occasion asked what was the peculiar qualification above all

others for the successful prosecution of a parliamentary career, and the great man, the complete parliamentarian, perhaps having reference to the long hours, the late dinners, the late suppers and the irregular mode of life we are obliged to lead, perhaps also having reference to the doses which are occasionally required to be swallowed by members of parliament on either side—this able parliamentarian said that what was chiefly required was a good digestion. I do not think he was altogether correct in that. In my experience and in my judgment, what is particularly necessary for a member of this House at all events, and what has been necessary, is that he should have a good sound nervous system ; because ever since I have been in this House it has been my experience that we have been distressed and had our nervous systems worried almost daily by various panics of one sort and another. The very first session during which I occupied a seat in this House we were terrified by the danger that threatened us in regard to what was called the abuse of the Governor General's warrants. I remember we were thrown almost into convulsions throughout this country, and particularly we were told that our rights as members of this House on both sides were being absolutely destroyed by the usurpations on the part of the Cabinet. We had hardly recovered from the shock of that alarm before we were again thrown into a state of anxiety by the usurpation of all the functions of the state by Lord Aberdeen. It was not merely the rights of this House but the rights of the government and the rights of the whole people of Canada that were being destroyed by the usurpations of Lord Aberdeen, and we were going to be driven back to the tyranny of George the Third. We were thrown into panics of one sort and another until, in many cases, the health of the hon. members began to give way.

I must confess that the present leader of the opposition is not so fertile in the production of alarming situations as was his predecessor, and he does not disquiet us with terrors of the same kind. His alarms are of a more sordid character. He tells us that our markets are being taken away from us, that we are in danger of being overrun by slaughtered goods from the United States and other countries, he troubles us with various difficulties and various troubles of that sort, but he does not excite us in the same way with regard to the loss of our prerogatives as did his predecessor.

So on the whole we were going along very quietly and very comfortably until suddenly this new trouble, this most alarming panic, has come upon us in the course of which a grave national crisis has been precipitated by the dismissal of General Dundonald. Now that is a very serious matter indeed. If it is a fact that in this country we have been living in a fools' paradise, if it is a fact that we are liable at any moment of the day or night to be overrun by hordes of uncivilized savages that are coming upon us from some unexpected quarter of the world, I think that is a matter that should keep any patriotic man awake during a great part of the night. I was inclined to spend some sleepless nights myself on the subject until my peace of mind was restored by observing the great happiness that all these circumstances seemed to give to our friends on the other side of the House. I knew that if they could enjoy a situation so profoundly as they seemed to be enjoying the present situation, there could be no danger, no cause for alarm, and nothing that anybody need be very much scared about. They would not rejoice in this manner if they really believed that the country was in danger, if they really believed that anything was going seriously wrong I have confidence in my heart to believe that instead of being so merry and so happy, they would be in gloom and sadness, and clouds and shadows and darkness would be hanging about them. They were rejoiced apparently with the situation. It has been a discovery to them of a new issue. Colonel Sellers, as portrayed by the inimitable John Raymond, who after his abortive speculations in corn and hogs, in oil-wells and mica mines at last made his lucky discovery of the missing ingredient for the eye-wash that was to bring him fame and fortune did not rejoice more than our hon. friends opposite have rejoiced at the discovery of this new issue. They might well rejoice, because for the last eight years they have been searching, searching diligently and with tears, for an issue upon which to stir up the minds and hearts of the people of this country, and they have never found it until now, and now that they have found it, we discover that it turns practically upon a question of etymology, it turns upon the meaning of a word ; that is, after all, the new issue which they have discovered in this country.

Well, Mr. Speaker, I must discuss that issue a little. The issue is the dismissal of General Dundonald, the issue is the mode in which the government have dealt with that question. Now, I must say, if I am to claim the independence that I did a moment ago, that I cannot agree with the censures some hon. gentlemen have passed upon Lord Dundonald, I cannot agree with some of the criticisms that have been made upon him. He has been criticised in this House for employing as his counsel the hon. member for Victoria (Mr. Hughes), and for putting his brief into the hands of that gallant colonel. I am going to stand by him in that, I am going to justify him 'right up to the hilt.' I think it was a most appropriate thing indeed. Nothing in

his official life became him better and nothing was so entirely appropriate to the mode in which he launched his campaign, than the defender that he chose to conduct his case in this House. He had discovered a most farcical and fanciful way of starting a great movement, something new under the sun, I think. The very idea of starting a great constitutional crusade, of launching it amid the popping of corks and clouds of tobacco smoke! No doubt it will effervesce like the champagne, and it will pass away like the tobacco smoke amidst which it was launched. It was a farcical campaign which was launched, and I say that no better way of preserving the farcical character of his movement could have been taken than to entrust it to the gallant colonel himself, the gentleman who combines the characteristics of the ancient Pistol and Fluellen the Welshman. It never came within the scope of Shakespeare's genius to construct any single character which altogether would cover the case of the hon. member for Victoria.

He combines the character of the ancient Pistol with that of Fluellen the Welshman. He has the bravery of Pistol and the military knowledge and experience of Fluellen. I do not mean the ancient Pistol as described by his critic, 'a gull, a fool, a rogue, who goes now and then to the wars to grace himself on his return to London in the form of a soldier.' I do not mean the ancient Pistol who would give a lying, bogus, insincere apology to General Hutton for the purpose of getting a free pass to South Africa in order that he might take his position in the South African army with the view of eventually superseding and supplanting General Buller as Commander in Chief of the British army; I mean the ancient Pistol who is described by himself in this state paper which I hold in my hands, the ancient Pistol described in a letter written by himself in the Toronto 'Globe' of August 14th, 1900, and from which I may be pardoned for reading some extracts.

The most recent letter received in Lindsay from Colonel Sam Hughes was addressed to Capt, Williamson of that town. It reads as follows:—

I shall not read the whole letter.

Mr. SAM. HUGHES. Read it all; you could not be better employed.

Mr. RUSSELL. No, I do not think I could be.

Mr. SAM. HUGHES. That is about your size—reading that sort of thing.

Mr. RUSSELL. I am glad the hon. gentleman is not afraid to listen because the last time I had the pleasure of reading from some of his writings he seemed undesirous of hearing them read.

Well, the show is over! With Capt. Mackie and seventeen men I have just concluded the surrender of General de Villiers and all his corps of about 300 men and fifteen great ten-team ox wagons, nine carts, tons of ammunition and thousands of animals.

He is following in the footsteps of the ancient Pistol.

The terms are signed. Thus the war is over—

It is all done. I did it. I, said the sparrow, with my bow and arrow.

Thus the war is over, except in remote corners of the Transvaal and Orange River colony.

An hon. MEMBER. Where he could not go.

Mr. RUSSELL. Yes, he could not be expected to be everywhere at the same time. Nobody but a bird said Sir Boyle Roche could be in two places at once.

After our advance from Griquatown to Reitfontein and Papkine the work has been sharp. At Griquatown I arranged that the wives, daughters and sweethearts of the leaders and others of the enemy should write them urging peace and giving facts re Pretoria, &c.

Mr. SAM. HUGHES. I always look after the wives and sweethearts.

Mr. RUSSELL (reading).

At Papkine General Sir C. Warren sent me on free-handed to Daniels 'Kine. Well, in three and a half hours——

Not three and a half months, or three and a half years, but

—in three and a half hours my force—Warren's scouts and Intelligence corps—with Capt. Mackie, of Pembroke—

Mr. SAM. HUGHES. Hear, hear.

Mr. RUSSELL (reading).

—covered the distance, twenty-two miles, and had the wire in operation an hour later. thence I got instructions to proceed onward on a reconnaissance, again free-handed. This is how I like to go—

No orders from General Hutton for him.

Then a fellow is on his own responsibility and feels it so.

You bet he feels it——

—accordingly he takes far more precautions than if tied up by orders and cautions. At Daniels' Kine the enemy got out so hurridly that they left their Union Republican flag flying. I now have it, as well as the Transvaal one I captured at Griquatown. I wired for seven days' rations, in addition to four I already had, and on Saturday morning, in a terrible storm of rain, sleet and hail, began my march of forty miles to Koenig, where the enemy were supposed to be. I looked at it this way: The horses were better saddled and moving than shivering in rain and frost, and so were the men. I made all fold the blanket Indian fashion——

This is sublimely picturesque and I want to call the attention of the House to it.

Mr. SAM. HUGHES. If the hon. gentleman would get a blanket and put it on he would make a nice object.

Mr. RUSSELL. I would rather put the blanket on my hon. friend.

I made all fold the blanket Indian fashion so as to cover the knees, and with heads set facing the storm off we all went,

Further the eye of the imagination is forbidden to pry, but further as Macaulay says of Robert Montgomery the eye of our imagination will insist on prying.

I had neither blanket nor overcoat—only my light cape, which you have often seen me wear—

I do wish the hon. gentleman would occasionally favour us with an exhibition of himself in that black cape.

Mr. SAM. HUGHES. I will. I will be glad to oblige the hon. gentleman.

Mr. RUSSELL. What favoured people those were.

—which you have often seen me wear—as a consequence the rain dripped off the cape to the knees and down into my boots.

That is where the hon. gentleman's courage occasionally goes.

Mr. SAM. HUGHES. It did not give me cold feet.

Mr. RUSSELL (reading).

These soon filling and the water getting warm, I was quite comfortable.

Then the hon. gentleman says that at Koenig he slept in a church. He is more fortunate than the most of us if he has not slept in a church before. He occasionally makes some of us sleep in the House. This time he was sleeping in a church. I shall not proceed to read about that because I want to give the House some thing more interesting :

The chief landrost came to me and suggested backing out of the agreement—

That is some agreement with the Boers that he refers to.

I at once agreed, said our column would never forgive me for taking their surrender,—

That is the surrender of some of these Boers——

—suggested that their force retire to the position occupied by them the previous day, while we would advance to where we had also been, and two days later we would make their wives widows, &c.

I also circulated a counter yarn.

Oh my, I really did not know this was there or I would not have exposed the hon. gentleman in yarning. I did not know this was coming. He says :

I also circulated a counter yarn as if I had got it from the general.

I suppose it is all fair in love and war.

Admitting the Boer success.

Mr. SAM. HUGHES. I heard the hon. gentleman deliver a lecture in Lindsay once when he was corrupt enough to say that all was fair in politics too.

Mr. RUSSELL. Well, I do not say you did not, but I do not think you are correct all the same. What I said in Lindsay is very elaborately and correctly reported, and my hon. friend will find that there is no such thing in the report.

Mr. SAM. HUGHES. I have that report and I was ashamed of the hon. member then and have been ever since.

Mr. RUSSELL. I can say distinctly that the hon. gentleman is absolutely and utterly mistaken. I never made any such statement in Lindsay or anywhere else.

Mr. SAM. HUGHES. The gentleman did.

Mr. RUSSELL. It is of no consequence whatever. The letter continues :

I also circulated a counter yarn as if I got it from the general admitting the Boer success between Bloemfontein and Pretoria, but that the following day our main force had captured the whole Boer outfit, upon hearing of which Kruger had asked to surrender, &c. I had not heard a word, but I was not going to be caught by them at their own game, and you see how near I was to telling a straight story.

I am bound to say I think the hon. gentleman was nearer telling a straight story than he has been at any time since he began his speech this afternoon.

Was it mind reading ? At all events I last night landed my column of nearly 300 here. Besides Mackie and myself we had only 117 men. I did not let the Boers know until our arrival here, but assured them I was not going to humiliate them by bringing the whole force up to march them back, that I would treat them on their honour, merely guarding the wagons with the rifles piled on, &c.

Really, Jack, they are a rather fine lot, and, in our four days' march back I learned to like many of them. Of course I never allowed anything to stand in the way of duty but while I would shoot one of them with a rifle in his hand as I would a dog.

Shoot him as quick as he transfixed Sydney Fisher or the Minister of Militia.

Yet once in my power as prisoners, I would, and did, use them like gentlemen. No man on our side in South Africa has been ahead of your humble servant where the bullets were flying.

Mr. SAM. HUGHES. Hear, hear. Read that over again.

Mr. RUSSELL—(reading).

No man on our side in South Africa has been ahead of your humble servant where the bullets were flying.

Mr. SAM. HUGHES. Or will be in case you try any games here.

Mr. ALEX. JOHNSTON. You were following on behind.

Mr. RUSSELL—(reading).

And no one has gone straighter for them or made them 'get a move on' quicker than I, but there my old sporting spirit comes in. I have no personal hard feelings against them. One fellow told me he tried to hit me three times at Faber's but within a hundred yards. I had no ill-will towards him for it, but rather a feeling of contempt, at his being such an infernally bad shot. Nearly all assured me before going to their homes that if I wanted a corps against Russia, France, China or any other nation than the Transvaal, they would to a man come with me. The day before yesterday I rode fifty-seven miles. The first word I got from my general was that morning at Coe. He said he was moving from Daniels' Kine to Blickfontein. Thus I had been seventy-five miles in advance.

In advance of the main body, I suppose.

I at once sent Captain Mackie on towards Koenig with the Boers while I crossed country southeasterly to this place. That night I rode to Koenig, covering fifty-seven miles in the saddle. Turpin was with me.

Turpin, who was Turpin?

Mr. SAM. HUGHES. A mighty good fellow.

Mr. RUSSELL. Who is Turpin? this House will ask perhaps. There may be some ignorant people in this House, who may not know the story of 'me and Turpin.' There may be those who do not know that the hon. member with this great man Turpin, 'my man Turpin,' as he designates him——

Mr. SAM. HUGHES. He is a bigger man than you are.

Mr. RUSSELL. And only twenty other men, surrounded I do not know how many hundred thousand Boers who appeared like a cloud on the horizon, and actually by spreading themselves land performing a ruse like that described somewhere in Joshua, I think, but I am not sure, with the rattle of crockeryware and the display of lights in different parts of the field, so terrified and paralyzed the Boers that they were actually compelled to capitulate.

Yesterday we came from Koenig here and I can assure you the camp opened their eyes. The Canadian artillery boys are all delighted at my success, and indeed I do not think I have an enemy or jealous officer, barring one or two in the entire force.

I have officially asked the general to relieve me from duty, for the show is over and I want to get back to Canada. I hope to leave here in a day or two. Phillips and Turpin have been at my back through everything. They are fine fighters and good boys.

Mr. SAM. HUGHES. Good boys, both Tories.

Mr. RUSSELL—(reading).

There is a rumour here that the regiment is in Cape Town and will sail in a few days. That makes the two lads wild to get back, and now that there is not one soldier in arms in the west or northwest of the Transvaal, Orange River colony or northwest provinces, my mind reverts also, Canadawards.

Then comes this interesting foot note:—

I forgot to say General de Villiers at the last moment backed out from surrendering and escaped.

Well, after all that is merely a trifling matter of detail. He had surrendered, what if he did back out, he had surrendered. It is not like the letter which the hon. gentleman addressed to General Hutton which he could take back with an apology a few days afterwards. I maintain that according to the rules of the game when once a surrender is offered, it is a surrender and a man should stand by it. I back up the hon. gentleman in the contention that it was a vile thing, and not according to the rules of the game. When once the surrender was made, it was a finality and that should have been the end of it. However, this is a digression from my argument.

The House will remember that I was making the argument to justify Lord Dundonald in committing his case to the hands of my hon. friend from Victoria; and I say again that it would have been far better if Lord Dundonald had left his defence entirely in the hands of my hon. friend instead of taking it out of his hands and acting on his own behalf, once more realizing the adage with reference to the man who is his own counsel. I am ready to concede, as everybody in this country is, that he is a great soldier. No doubt he has occasionally displayed an excess of zeal like his great ancestor before him, which has got him into trouble in the civil arena, and which might have got him into trouble, if he had not had the best of luck in the military arena as well. He is a great soldier; but his best friend will not say that he is a great writer. And it is not to be expected that he should be; because there are only a few men who combine both qualities. Perhaps there is not more than one soldier in ten thousand who combines the qualities of a great writer and a great fighter—There have been but a few in the whole course of human history,—Julius Caesar, General Roberts, Colonel Sam Hughes——

Mr. SAM. HUGHES. Lord Dundonald knows he had a grandfather, which some people do not know.

Mr. RUSSELL. It is not to be expected that all the gifts and all the qualities of the writer and the fighter and the man of affairs can be combined in and monoplized

by any nobleman, not even by Lord Dundonald. So that not being a great writer, and not being a skilful advocate, he would have done far better to have left his case in the hands of the hon. gentleman to whom he had first committed it. In his letter, which has been called a manifesto by the Minister of Militia, Lord Dundonald defines three courses which he might have taken in order to bring to the attention of the public mind in Canada the evils he apprehended as existing in the militia system of this country. He might, he says, have made a report to the government, but that would have been only one more document pigeon-holed. He might have tendered his resignation, and then have stated the facts to the public of Canada. I think he might have done that with great propriety; there was no other proper course for him to take. But, for some reason which he does not explain, he took the third course, which I have described as fanciful and farcical, and which I do not hesitate to describe as improper, of making a statement at a banquet in Montreal. He says in his manifesto:

> It seemed better to make a public protest and to leave with the government the option of heeding it, or of upholding the system which is destructive to the efficiency of the national defence.

These are his words. Suppose the government had wanted ever so much to heed the warning of Lord Dundonald, what should they have done? What could they have done? Why, Sir, the misconception evidently existing in the mind of Lord Dundonald on that subject is such as to render him entirely unsuitable for public service in a constitutionally-governed country. He seems to have supposed that if the government desired to heed his warning, all they had to do was to pass over in silence and without reference of any kind what had taken place in the city of Montreal, although he had passed the most severe censure upon his departmental chief. With a singular lack of courtesy, I think, in a nobleman of his standing, he charged the members of the government of which he was a servant with want of etiquette, with being practically cads and boors. Although he had taken such a proceeding as this in the city of Montreal, he seems to have thought the government could have passed it by, accepted his warning, made the changes which he insisted upon in the militia system of the country and gone on as if nothing had happened at all. I say that such a conception of the relations between himself and his departmental superior entirely unfits him for public service in any constitutionally-governed country. Well, having adopted this singular method, which he did adopt in preference to the two others which he mentioned, how did he apply it? Let us look at that for a moment. His great grievances were that there was no adequate support given to the militia system of this country, that there were no adequate camps, that there was no adequate ammunition, that there were no adequate weapons, that there was nothing at all in the nature of a true militia force to protect this country from hostilities from other parts of the world. With these great grievances resting on his mind, he tells us that he said not one word to the people of Canada; and the people of Canada would have known nothing about them if it had not been for the mere accidental circumstance—for which I think those who sympathize with Lord Dundonald may thank the government of this country—of his being dismissed. He says nothing about these great grievances, but merely explodes some little trumpery grievance with the Minister of Agriculture in connection with the 13th Light Dragoons. He speaks in his manifesto of singular coincidences. Here I think are remarkable discrepancies. He was making, he tells us, a deliberate and premeditated assault upon the militia system and the government and the Department of Militia; and yet he omits the very gravamen of his charge against that system, and only mentions this trumpery matter connected with the 13th Light Dragoons. And even as to that, he says he had not a single word in his notes. All these, I say, are singular and remarkable discrepancies. Of course, we have to accept his word; he is a nobleman, and we are bound to and do accept his word; but it requires a supreme act of faith to accept his word that this speech was a deliberate matter with him. 'Credo quia impossibile'—I believe it because it is impossible. He cannot ask more than that from us. If it were not for his statement that this was a deliberate and premeditated thing, I would have drawn the inference, and would have been certain of it, that it was a spontaneous explosion—and as Shakespeare makes Gower say, 'What a beard of the general's cut and a horrid suit of the camp will do among foaming bottles and ale-washed wits, is wonderful to be thought on.'

That, I should have thought, was the secret of the explosion. He tells us in his manifesto that his principal grievance was the suppression of part two of his report by the Minister of Militia. That was the gravamen of his charge against the Minister of Militia. But, Sir, he destroys that by what he says in another part of his manifesto:

> My claim for freedom extended only to the technical side of my work.

His claim not to be under the control of the Minister of Militia only extended to the technical side of his work. That is common sense? Now, as the ex-leader of the opposition used to say, I leave it to any man with a head on his shoulders and brains in that head to say whether this was a technical question or a question of state policy—the question whether that report should not be

published and sent broadcast over this Dominion of Canada. Was that a technical matter or a question of state policy ?

In my judgment, he says, it was information as to the actual conditions and possibilities of the militia which it was desirable the people of Canada should know. Well, that was Lord Dundonald's opinion, and as such it is quite interesting. But admitting that that was his judgment, it was not the judgment of his minister ; and suppose his minister, after taking counsel with his colleagues, found that neither was it the judgment of the cabinet, whose judgment was to prevail ? Was it the judgment of Lord Dundonald on a question of state policy or that of the Minister of Militia, supported by his colleagues in the cabinet ? Surely it was the judgment of the latter. On the question as to the policy of publishing a state paper, giving the conditions of our defences, exposing, for all I know, the weaknesses of our defences, to the whole civilized world, so that the whole world might know exactly the condition of things in this country, whose decision should prevail ? If the report of Lord Dundonald was unduly pessimistic, if it was incorrect, if his apprehensions were not justified, if the government thought that his report was not a fair statement of our military condition and one which should not be published to the whole world, surely the question as to whether that report should be published was not one of those technical questions on which Lord Dundonald claims superiority, but a question of state policy, on which the cabinet should decide, and I do not see that Lord Dundonald has any grievance whatever regarding the non-publication of that report. That is practically the essence of this whole question. I will be just to Lord Dundonald. We all must be just to him. He is a great soldier. Of that I have not a particle of doubt as his ancestor was a great sailor, but the very qualities that may make him a great commander of men may be those which absolutely unfit him to be a public servant under constitutional government, and I think my hon. friend opposite (Mr. Sam. Hughes) may have succeeded in divining some of the very reasons why Lord Dundonald has not been a success in this country. In this celebrated state paper which the hon. gentleman addressed to General Hutton, in this famous letter which the gallant colonel sitting opposite to me wrote to that general, he said :

> I was going to give you a few words of suggestion, not as a soldier, but as a Canadian Britisher. You know the causes of failure of your predecessors, some of them good soldiers, some of them honourable men. They nearly all allowed themselves to be influenced by a few in Ottawa, Montreal or Toronto, not by any means the men of sense and judgment in those cities, quite the reverse.

Well, Mr. Speaker, is it not altogether possible that Lord Dundonald, either by himself or through those who were organizing that corps for him, may have been misled or may have allowed himself to be influenced by a few men, perhaps not in Ottawa or Montreal or Toronto, but perhaps in the eastern townships—and perhaps in the Baker settlement. That may have been one of the reasons for Lord Dundonald's failure. Or this may have happened. The secret may be found in another passage of this great state paper, in which the hon. gentleman (Mr. Sam. Hughes) has shown to General Hutton why it is that in England an officer under the control of the General Officer Commanding cannot be a member of parliament and yet a similar officer in the Canadian force may be a member of parliament. My hon. friend said :

> The rule in Great Britain is that an officer, such as your A. D. C., or some one directly under your control as General Officer Commanding, cannot hold office as member of parliament for two reasons, (a) he is directly in receipt of salary, though that is not the main objection ; (b) he might, as your servant, be made the instrument to attack the minister, your master. In short, it would be a roundabout way of your castigating your master.

It was quite right for the hon. gentleman (Mr. Sam. Hughes) to speak of the Minister of Militia as General Hutton's master, but it is awful profanity, an awful sin and shame, when anybody dares to suggest that Lord Dundonald is the servant of the Minister of Militia.

Mr. SAM. HUGHES. Not at all.

Mr. RUSSELL. Yes, the newspapers in this country have made it a matter of public comment that any one should take that ground. They have rung the changes on what an awfully improper thing, what a great sacrilege it was for anybody in this country to suggest that the Minister of Militia was in any sense the master of the great Lord Dundonald.

Mr. SAM. HUGHES. Not at all.

Mr. RUSSELL. Now we are sometimes told that we ought to have in our militia system a condition of things such as exists in the army in England. We are told that in this Canada of ours, our militia is subject to political influences, that we do not keep it as clear and free from sinister influences of that kind as the military service is in the old country. Well, there is some light thrown on that also by the state paper of my hon. friend opposite (Mr. Sam. Hughes). Let me read what his opinion was at the time he was writing General Hutton. He says :

> My Dear General——

The dear general, I may remark, had said something in a very short note to my hon.

friend about self-effacement and modesty as being one of the distinguishing characteristics of great soldiers and one which he did not think, in his imperfect judgment, was a very distinguishing characteristic of my hon. friend. General Hutton had not made the discovery of that really soldierlike modesty which underlies all the gasconade and blatherskite of my hon. friend. 'My dear general,' he says :

My dear General, that is a lovely sentence, 'those great qualities of self-effacement,' &c., but permit me to inform you that I have for upwards of thirty years been a careful student of history and have had favoured opportunities of getting 'behind the scenes' re the 'Horse Guards' and 'War Office' methods and influence and appointments.

Mr. SAM. HUGHES. Judgeships, for instance.

Mr. RUSSELL. I had spoken on that point before your arrival :

Therefore your beautiful sentence re self-effacement in great officers is entirely lost on me. I am desirous of learning where any British officer of note has, outside of vacancies caused in actual warfare, been promoted to high command on his merits alone, Lord Roberts alone excepted. What the 'Horse Guards'——

These were the sentiments of my hon. friend :

An hon. MEMBER. What about the noble lord himself ?

Mr. RUSSELL. Surely no reflection was intended on him.

What the 'Horse Guards' and 'War Office' do not know about intrigue and influence, and the absence of self-effacement in one's friends if not directly in oneself, cannot be learned from the most noted body for such in the world, the Methodist Conference committees, or any church appointing bodies.

Why are the Methodists selected, of all possible communities, as being the one in which intrigue and influence and the absence of self-effacement are the distinguishing characteristics ?

I shall gladly give details if desired ; but you are a very shrewd observer as well as student and may doubtless have learned or heard of what I state.

If that be the condition of things, it is not wonderful that we should find that there are in England inferior officers. Then the gallant colonel and member for Victoria (Mr. Sam. Hughes) goes on to say :

In your conversation to-day you doubtless gave vent to your true sentiments in comparing me so frankly as you did. All that I ever wrote, spoke or thought of the officer I spoke of was praise in comparison with your statement of me. I do not profess to be skilful in leading expeditions 'to the moon.'

No, only those expeditions in which he surrounded a hundred thousand Boers with a few men and things of that kind, and which culminated in the practical surrender of great generals like de Villiers, which they backed out of the next day. He went on to add :

History shows that Britain has had many experts at such and not so many skilled or capable of leading men against fighting men. True, battles have been won by British generals and minor officers' plans, such as Wellington and his colleagues, Roberts, Kitchener and others, but to the British soldier is due victory again and again, despite the stupidity and blundering of British officers.

The hon. member for Colchester (Mr. Gourley) could not out-Herod that.

Mr. SAM. HUGHES. Perhaps the hon. member for Hants (Mr. Russell) could.

Mr. RUSSELL. No, that is not in my line.

These, as you know, are not alone my own views. You say I would be incapable to serve alongside British regulars ; why ? Could not I retreat or surrender quickly enough to the Boers ?

He could not surrender; everybody knows he could not. He makes General De Villiers surrender.

History shows that the Yankees, whom Canadians could always defeat, though with great odds against us, repeatedly dressed and combed down British troops led by British officers ; while the old plugs of Boer farmers walloped the British though the odds were often against them.

If my hon. friend who sits beside me (Mr. Monet) had said anything like that, or if the hon. member for Labelle (Mr. Bourassa) had said it, how the newspapers of this country would have flamed with indignation.

In the coming Boer trouble a similar result will be found to arise if ordinary British tactics be employed. We claim to be as good men, and as accurate riflemen as the Boers who have repeatedly 'licked' your British officers. Therefore I fail to see wherein I am unfit to serve alongside British troops. Of course, the Boers have no 'Horse Guards' pull.

That was one of the things which he took back in his apology. But still he stands by it, for the letter was only a pro forma apology to secure the free pass to South Africa, while these continue to be the honest sentiments of his heart.

I said a while ago that the great issue in this campaign—and it must be a great triumph to hon. gentlemen opposite to have discovered such an issue—is a verbal one purely. It is not the case of Lord Dundonald that is the issue, because Lord Dundonald does not appear in this motion except in the faintest and most perfunctory way. The issue is not even the conduct of the Minister of Agriculture, for that, after all is evidently regarded as a minor matter. The real issue on which these

hon. gentlemen hope to win the election is the issue which was set forth in the elegant poem read by the hon. member (Mr. Hughes) in the peroration of his speech—or rather in one of the numerous perorations, for, like the great Adelina Patti, he made seven or eight farewells before he eventually left the stage. The issue chosen by these hon. gentlemen is the allegation that Lord Dundonald was designated by the Prime Minister as a foreigner. That is the issue before the people of this country. Well, Sir, it was an awful thing for the Prime Minister to do. I admit the extreme gravity of the crime he committed against the English language—that is I admit it for the purpose of argument—in calling Lord Dundonald a foreigner ; though there are precedents in the best English prose which entirely justify the use of the word in the way in which it was used, as I intend to show before I sit down—even though it is somewhat immaterial. Everybody knows who reads the context, everybody knew who heard the context, of the expression which was then used and who followed the argument, the right hon gentleman was then making, exactly what was denoted and connoted by the term the Prime Minister used. Everybody knew he was making an argument to the effect that Lord Dundonald not being personally familiar with the conditions in the eastern townships or personally acquainted with the place in which he was organizing the new force, was obliged to trust to the opinions of those who were thus conversant. And everybody knows that when the Prime Minister designated Lord Dundonald as a foreigner, he merely meant to convey the idea that Lord Dundonald was not a person who was acquainted with the local conditions surrounding that force, as a person constituting a militia force should be. Everybody knows that, and everybody knows that it was a most unspeakably mean and despicable thing on the part of the hon. gentlemen opposite.——

Some hon. MEMBERS. Oh, oh.

Some hon. MEMBERS. Hear, hear.

Mr. RUSSELL. I say it without hesitation—a most unspeakably mean and despicable thing on the part of any man in this House or anywhere else to wrest that word from its proper connection and endeavour to put upon it a meaning that everybody in this House knows very well was not in the mind or in the heart of the premier when he uttered the word. The leader of the opposition (Mr. R. L. Borden) if he could be guided by his own manly instincts would repudiate such an interpretation. I know him too well not to know that in his heart of hearts he does repudiate it. But, unfortunately he is the leader of the opposition. He is like the French gentleman who was chasing after a procession of the rag-tag and bob-tail, of scullions and loafers in Paris during a time of political excitement. He met a friend, who was dumbfounded at the gentleman's ridiculous and incomprehensible conduct. He said to him : 'Why, what are you doing here ? Why do you follow these people' ? The gentleman answered : 'Do not attempt to stop me ; I am their leader ; I have to follow them.' The hon. gentleman (Mr. R. L Borden) is the leader, I am sorry to say, of the mean and despicable creatures who are seeking to wrest that word from its proper connection and give it a meaning which it cannot properly bear.

Mr. SPROULE. I rise to a point of order.

Some hon. MEMBERS. Oh, oh.

Some hon. MEMBERS. Let him go on.

Mr. RUSSELL. I do not apply the term to any hon. gentleman in this House.

Mr. SPROULE. I rise to a point of order.

Mr. SPEAKER. Let the hon. gentleman (Mr. Sproule) state his point of order.

Mr. SPROULE. I wish to ask your ruling on the point whether the hon. gentleman (Mr. Russell) has the right to apply to members of this House the expression 'mean and despicable creatures' ?

Mr. RUSSELL. Mr. Speaker, there is no fact upon which the point can be raised. I have not so designated these hon. gentlemen.

Mr. HENDERSON. When the point of order is raised, let the hon. member (Mr. Russell) sit down.

Mr. SPEAKER. I understand that the hon. gentleman (Mr. Russell) is speaking to the point of order.

Mr. HENDERSON. Then, let him speak to the point of order.

Mr. RUSSELL. I think I have the floor. I say there is no fact upon which such a point can be raised, because I never dreamed of such a thing as applying that designation to any hon. gentleman in this House ; and I am amazed that anybody should suppose me capable of such a thing.

Mr. SPROULE. Why, the hon. gentleman (Mr. Russell) spoke so of the followers of the leader of the opposition.

Mr. RUSSELL. I say he is the leader of those poor, despicable creatures.

Some hon. MEMBERS. Order, order.

Mr. SPROULE. I ask your ruling, Mr. Speaker.

Mr. SPEAKER. The hon. gentleman (Mr. Russell) has made it very plain. He says he has not applied that epithet to any hon. gentleman in this House.

Mr. HENDERSON. But we know he did.

Mr. SPROULE. I appeal to you, Mr. Speaker, that he spoke of the followers of the leader of the opposition.

Mr. RUSSELL. I was going on to say that the right hon. gentleman (Sir Wilfrid Laurier) who leads this House would have been perfectly justified in standing by the expression he used. He would have been warranted by the usage of some of the best writers of English, had he stood by the word that first sprang to his lips. Finding that it did not as accurately convey his meaning as another that immediately suggested itself he withdrew it and substituted the other. Everybody knows that he withdrew the word, and did so before any of the hon. gentlemen opposite had the perspicacity to raise any question. But I say he would have been absolutely right, and justified according to the usage of some of our best writers, had he allowed the word to stand. If there ever was a writer who will be recognized as a master of absolutely choice and perfect English it was Joseph Addison. Using this very word 'foreigner,' Addison says that "water is the only native of England made use of in punch, but the lemon, the brandy, the sugar, the nutmegs are all foreigners." These things came, some from our own colony, some from the West Indies, they came from countries under the English flag, yet they were all foreigners because they were not natives. 'Native' is contrasted to 'foreigner' and 'alien' is the only word the right hon. gentleman could have used if he had any such meaning in his mind. A bill of exchange which is drawn in England on Canada is a foreign bill of exchange, not an inland bill; a company incorporated in England is a foreign company and not a domestic company; a judgment recovered in England is a foreign judgment. Lord Brougham talked of English law as foreign law to a Scotchman, and by the same token why could not a Scotchman be spoken of as a foreigner, or an Englishman as a foreigner even in British colonies. In the same way, a Nova Scotia judgment is foreign in New Brunswick; and Scotch commentators treat all English judgments as foreign judgments, and speak of all persons resident out of Scotland as foreigners.

Well, Sir, the right hon. gentleman might very properly have adhered to the word if he had seen fit to do so; but he found another word and a better word for his purpose, and one more accurately conveying the meaning which he undoubtedly meant to convey, as everybody knows, and which every honourable man in this House recognizes that he intended to convey, when he used that expression which has been so much tortured out of its proper meaning, and distorted into a meaning injurious to the right hon. gentleman. And for what purpose? For the purpose of discrediting a man whose record in this country has belied the injurious meaning from the earliest days when he took his seat in this House down to the present, and will continue to do so as long as he may hold a seat in this House—God grant that it may be for many years to come! an hon. gentleman, I say, who has had perhaps more than any other public man in this country a true and just conception of, and has displayed a tenacious adherence to, the two great foundation principles, two of the greatest foundation principles upon which the noble fabric of our civilization is based. One of those great cardinal principles is the principle of local self-government, the right of every portion of the kingdom of Great Britain and Ireland and of every colony of the empire, to exercise a practical sovereignty in the management of its local affairs. That is one great principle which lies at the base of our British system. If there be any that is greater than that, it is the ascendancy of the civil over the military authority, the absolute and unquestioned subordination of military functionaries to the civil authority of the state as administered by a government responsible to the houses of parliament. Those, I say, are the two great basic principles of our English polity and the polity which ye inherit from England, both of which are opposed by this Dundonald campaign, one of them implicitly and the other explicitly and emphatically. Better, I say, that every British nobleman should withhold from us the light of his lordly countenance for evermore than that we should forfeit one iota of our rights of local self-government or abate one particle of the authority of this Canadian parliament to administer the affairs of this Dominion. Furthermore, Mr. Speaker, proud as we may be, thrill as our hearts may well thrill in contemplation of the achievements of our soldiers and sailors in all periods of our history and in all portions of the globe, better I say again that the name of every one of them from Henry of Agincourt to Roberts of Kandahar should be blotted from the page of our history and perish from the memory of mankind than that we should abate one jot or one tittle of the principle which subordinates every military authority in this Dominion, high or humble, nobleman, gentleman or yeoman, to the people of Canada as represented in the parliament of this country.

Mr. JABEL ROBINSON (West Elgin). I am not sure who is to blame for bringing about this great discussion that has been going on now for two days. Although I have listened attentively to every speaker and have read all I could about it, I am not sure I say whether it is the Minister of Agriculture who is responsible for this deplorable discussion. If it is the Minister

of Agriculture, or whoever it may be, he should be compelled to pay all the expenses that are incurred in the prolongation of this discussion. Let us ascertain who it is, and all this time should be charged up against him and taken from his indemnity. Some hon. gentlemen may squirm at this proposition, because they may be the guilty parties. We do not know who it may be, but circumstances point towards the Minister of Agriculture. If the Minister of Agriculture had not been so officious, if he had not been acting in the place of the Minister of Militia, and if the Minister of Militia had been at home in his office, this thing never would have happened. Now I think myself that the militia, the military, the navy the church, the school and all like institutions, should be free from politics. I think whenever politicians undertake to interfere with the religion of the people, or with the education of the people, or with the disposition of the army, they are making a great mistake. If a commander prides himself on anything, it is on the men who are to assist him in defending this country if it is attacked, and an officer who has not the good will of his soldiers is not likely to succeed in battle. Therefore I say that the men themselves should be consulted as to the officers who are to be appointed over them. The Minister of Militia told us in his speech last night that he was away from his duty at the time, and had been away previously for five or six weeks, in the city of Boston. Now if a member of this government can leave his duties for so long a time, it seems to me that almost any person could fill that office. If you put the Minister of Agriculture in his place it is not a proper thing to do, and if ever I am appointed to be a minister I will stay in the office and look after my business, and if I go to Boston I shall be able to give a reason for it.

Sir FREDERICK BORDEN. If the hon. gentleman read the newspapers he would have learned that I was in Boston on account of illness.

Mr. JABEL ROBINSON. If the hon. gentleman had told us that last night I would not have referred to it at all, because a man has a right to be away when he is ill.

Sir FREDERICK BORDEN. I do not understand why any hon. gentleman in this House should be so anxious to misjudge the motives of a member of the government who may be obliged to leave his office temporarily. I think it would be fairer and more just to assume that he went away for good reasons and proper motives.

Mr. JABEL ROBINSON. If he went away on sickness that is sufficient excuse. But the hon. minister did not tell us that last night, and we might have thought that he was in the States acting as a spy on the American people. I do not want to detain the House because it has been detained long enough on this question and the country is tired of it, I think. But, I want to say that I do not think any man ought to interfere with me, if I am allowed to raise a squadron of horse or a troop of soldiers, in my selection of the men. I say that the hon. Minister of Militia ought to assist me instead of chalking out the name of a man that I had selected to help me and putting another man in his place. The hon. Minister of Militia would not have done that had not the hon. Minister of Agriculture come from that section of the country and intimated that he would pick out some of these people himself. He told him that he was determined that there should be so many Tories in the regiment. I have yet to learn that Tories do not make as good soldiers as Grits and I think there should be no distinction between them. What we want are men who will fight for our country without asking the question as to whether they are Tories or Grits. What do the English government do when they want a man to lead their army ? Do they go to some partisan, to the man who is the strongest Liberal or the strongest Conservative ? No sir, they select the best man they have in their army for that post. Wellington was brought from India and sent to the Peninsula because they knew that he was a soldier of the best type, and he defeated the enemy and won extraordinary victories wherever he went. If they had had poor little politicians in the government of England at that time perhaps there would have been some other man placed over him. Wellington, Wolseley, Roberts and Kitchener were selected—for their politics ? No, Sir, but because they had made themselves perfect in their profession and were known to be the ablest men in England to lead the army. The English navy has done the same thing from the time of Blake, of Drake, of Frobisher, and scores of others, down to the time of the great and immortal Nelson. Did they ever ask what this great admiral's politics were ? Certainly not. So it should be with our troops in Canada. We hope that they may never have to fight, but if they do let us not select one set of men because they are party politicians. I do hope that this debate will close soon because we are only administering pin pricks to the British people. We are injuring ourselves when we do that. The hon. gentleman who spoke last (Mr. Russell) said that he thought it better that we should lose a thousand men from Britain or the light of the countenance of a lord than that we should lose one iota of our liberty. We do not intend to give up our liberty. Every Governor General we have had in this country has helped us from Lord Elgin down. We never had a Governor General who went home who was not a first-class immigration agent for us. We want to try and get the British people to come out here and bring more wealth with them. We have room for them. I am afraid that we

are going to prevent squadrons from being formed by such a proceeding as this one. Whenever another squadron is about to be brought out, for pity's sake let the officers choose the men and let the Major General in command of the forces choose the officers.

Mr. RUFUS POPE (Compton). Mr. Speaker, I listened with some attention to the little member for Hants (Mr. Russell) in his valedictory to this House and I could not help but remember the many discussions that have taken place in this House and resolutions moved by the hon. Postmaster General in days gone by pointing out what a vicious sin it was that men should sit in this House with commissions in their pockets. I suppose this principle, like all the principles and professions of hon. gentlemen opposite, has gone to the great scrap pit. The little man from Hants referred to the fact that my hon. friend from North Victoria (Mr. Hughes) had a free pass to South Africa. As to that I do not know, but I do know that the hon. gentleman, according to his own confession, anticipates that he has a free pass to a position for life in the province down by the sea. We sent down there a short time ago what we used to style the Goliath of this House, the member for Guysboro and now, in order that these two gentlemen may average up, we are sending the Banty Tim of this House. That hon. gentleman has been the faithful servant of the right hon. Prime Minister (Sir Wilfrid Laurier) and the party to which he belongs. He has never failed to do any work of a character that some legal men might hesitate in doing. We remember him during the election trials and since 'pettifogger' is the proper word to use, I say that I do not think that any more miserable specimen of the breed whatever it is was ever exhibited either in parliament or the committees of this House than we had in the little member for Hants at that time. He has taken special pains to deal with the word 'foreigner.' What an endorsation for the right hon. Prime Minister and what weight it will have in the country when it is known that the use of that word has been justified by one of the members of this House with a commission in his pocket. The hon. gentleman spent half an hour in discussing the word 'foreigner.' He ceased, but 'Hansard' remains just the same; there is the word, the insult has been given, and though the right hon. Prime Minister down to the smallest follower on his side of the House might spend as many hours and days as they liked in trying to explain it, the word 'foreigner' is on the record of 'Hansard' untouched and there it remains as an evidence of the true heart feeling of the right hon. gentleman when he rose upon that occasion. Why Sir, the little man from Hants stated, as others have also stated that the proposal of Lord Dundonald involved an expenditure of immense sums of money—the newspapers have stated so—and that consequently it could not be adopted by this country. It was said that the hon. Minister of Militia (Sir Frederick Borden) had intimated that there were some things in the report that could not be adopted by Canada. I think it is only just that the representatives of the people should see that report and judge for themselves. Business men and railway corporations have reports made by their managers, but they are not always accepted by any means. We see in England a war commission recently reporting in favour of conscription but the government do not adopt the report.

But there was no reason why it should not be made public, and, Sir, we ought to know what was in these reports. We had an expert here, a man of high character, a soldier, a commander who had the endorsation of the Minister of Militia himself, until this difficulty arose. Only a year ago the Minister of Militia stated that we had an officer equal if not superior to any who had preceded him. Under these circumstances I say that we, the people of Canada having a servant—as they chose to call him,—and that servant making a report to the Minister of Militia upon the public defence of Canada, that report should be placed upon the table of this House. Whatever our deficiencies are we should know them and as a nation always be prepared to strengthen any weakness in our defences, let the cost be what it may. I can readily understand that Lord Dundonald in making plans for the defence of a country 4,000 miles long, with all its sea coast and rivers and long line of protection against the United States a foreign nation, would advise measures that would be covered not by the expenditure of a year, or two years or three years but of many years, and I say we, the representatives of the people of Canada, have a right to see and understand what he was proposing. The Minister of Militia last night took special pains to take a very wide scope. He took special pains also to offer very little support to the Minister of Agriculture in the position he had taken. It is quite true that speaking the other day he endorsed the minister. A man often does things on the impulse of the moment which he afterwards regrets, and as I listened to the Minister of Militia last night, I came to the conclusion that he regretted the action he had taken a few days ago, in endorsing body and soul the Minister of Agriculture for his action. He went so far as to tell us that he thought that if he had been at home instead of being away from home, this difficulty would not have arisen. There was only one man to interfere when he was away and to create difficulty, the Minister of Agriculture who was acting in his stead. No severer castigation has been offered to the Minister of Agriculture than was administered by the Minister of Militia in that very short statement. These difficulties commenced with the advent of this govern-

ment to power. The right hon. the Prime Minister was warned by many of us, and I can remember on two or three occasions, doing my best to impress him with the trouble that would ensue if he followed out the spoils system by dismissing good servants to make places for political friends and driving the political knife into every one for that purpose. To-day we find the smallest Minister of the Crown, coming I regret to say from the section of country from which I come, carrying out the same system. We have had militia affairs in that country as long as in any portion of Canada but this is the first we have ever heard about the interference of politicians in regard to the formation of our militia. Last year the forces in Compton were reorganized and converted in Mounted Rifles, just as they were in Missisquoi, Brome and Shefford. There was no interference there because there was no member who felt that he had a mandate from his electors to select particular officers. The appointments went through the proper channels, and the result was that when the regiment went into camp in June every officer was in his place, the regiment was up to the full establishment permitted by law and there has been no trouble. Two-thirds of the militia men of the eastern townships and two-thirds of the officers are Conservatives. That is the history of the militia there, and history stands behind that statement. The country was originally settled by elements that came in from the United States; some of them empire loyalists, and others American traders who came there to better their position. In 1849 the question of annexation arose, and we had two parties, the Loyalists on one side and the American traders on the other. Following that we had Confederation and the Conservative party were the loyal party of the eastern townships, who contended for the preservation of British rights and the flag of Great Britain, on the northern half of this hemisphere at that time. Consequently when the militia was established shortly after Confederation this militia force was composed very largely of Conservative officers and men. I do not say there has not been some change but it has been a very small change, because in our section of the country the French Canadian element has not gone largely into the militia, and the overflow from the other parts of the province of Quebec have settled the back regions of those counties and you have to-day but a small proportion of English and the remnants of the same people who came there years ago and fought that battle and are still fighting it out.

When the hon. gentleman refers to Mr. Baker and his family his reasons for doing it are well understood. Mr. Speaker, you have not heard anybody refer to the Fisher family in the eastern townships as being great soldiers. Oh no, they prefer to keep behind a fortress which they themselves own and control by a servile following which cannot be penetrated. The Minister of Agriculture has made his choice and has taken a family from which to select officers. He has selected the family of Miltimores, and we find Miltimore No. 1, Miltimore No. 2, and Miltimore No. 3. He has a right to take these men if he sees fit, and to call them his proper representatives as an eastern township family. We find Clifford Miltimore put forward as a fit and proper person for a position of command. I find this record in regard to him :

I, undersigned, John J. Barker, of the village of Cowansville, in the district of Bedford, printer and publisher, do hereby solemnly declare :

1. That I am a resident of Cowansville, in the county of Missisquoi, in the district of Bedford, and a duly qualified elector of said county.

2. I was present at the meeting of the municipal council of Cowansville when the preparation of the voters' lists was in progress, and I made application to the said council to have the name of Clifford Miltimore struck therefrom, as I believed he had not the legal qualifications required by the law. He had previously been a tenant within the corporation but had ceased to occupy the premises which had been leased by him.

He resisted the application to have his name struck off and asserted that he was otherwise qualified as having his domicile within the municipality, and in support of that pretension made oath that he was so qualified and therefore entitled to have his name retained.

The Council being guided by the statement so made by him under oath retained his name upon the list.

Knowing the circumstances, I was impelled to petition one of the judges of the Superior Court to strike his name off. The petition was resisted and after proof his name was struck off the voters' list by the judge.

Here is the judgment of the judge, striking his name off that list, showing conclusively that this man took an oath that was false. That is his first recommendation, I presume, for preferment. I know Mr. Pickel very well, and I have no fear of his reputation, handled as it may be by the Minister of Agriculture, being tarnished. He stands in his community respected and admired by every one. The official positions he fills as mayor of his town and warden of his county are a sufficient endorsation of the man without any statement on my part. We can well understand that a man of that character was not very ambitious, as Colonel Smart's letters and others here show, or very anxious to join the militia. But the young men of that community said, if you can get Dr. Pickel to head this squadron, it will be a great success. Consequently Colonel Smart tried to get Dr. Pickel, and with what result we will see. Now, Sir, I find the Minister of Agriculture on page 5391 of the revised 'Hansard' saying :

I took no exception to this. But I found a recommendation in regard to the neighbour-

hood of Sweetsburg, which, I confess, surprised me, and to which I did take exception. I must premise my explanation in regard to this matter by saying that Senator Baker of Sweetsburg, is the acknowledged and active leader of the Conservatives of that district.

Certainly, Mr. Speaker, Senator Baker is an active leader, as the Minister of Agriculture chooses to describe him, of that district, an old and respected citizen of that district, and also a lawyer; and he had the suit against Mr. McCorkill, the pet of the Minister of Agriculture, who was the provincial treasurer at Quebec and brought that suit to a conclusion; and Mr. McCorkill is ready to throw up the sponge and declare the corruption took place in his election. That is where the sore spot is. The history of the election of Mr. McCorkill shows that everything known to chicanery in elections was used in it. It was one of the most corrupt, I am told by the very best authority, and the very best proof that that authority is good is the fact that Mr. McCorkill has thrown up the sponge. That is the sore spot in regard to the Baker family. We all understand why the Minister of Agriculture feels so tender and waxes so furious when he thinks of the town of Sweetsburg and even of Cowansville, which is only a couple of miles from it. That district haunts him night and day, ever since the time of the Quebec election. It will haunt him more and more in the future. It will be a nightmare for him so long as he remains in public life. He goes on to say:

> I found this list of proposed names for the staff of the neighbourhood of Sweetsburg. First, Mr. John M. Gibson, a nephew of Senator Baker, and talked of as a possible Conservative candidate in the constituency of Missisquoi, to be third in command of that regiment.

Well, Sir, that is not a bad endorsation for this man.

> Dr. Pickel, one of the strongest Conservative workers of the neighbourhood and a family connection of Senator Baker——

This, I suppose, is nearer the truth than the hon. gentleman has been for a long time, because Dr. Pickel is a cousin of a boy who married Senator Baker's daughter. There is a semblance of truth in that statement, and I congratulate the hon. Minister of Agriculture before this House and before the press of Canada on having made one statement that has a grain of truth in it:

> Dr. Pickel, one of the strongest Conservative workers of the neighbourhood and a family connection of Senator Baker, to be major in command of the squadron which, though gazetted for Adamsville, was to be changed to Sweetsburg to suit his convenience. Mr. G. H. Baker, son of Senator Baker, to be senior captain of the said squadron. Mr. Thomas R. Pickel, son-in-law of Senator Baker, to be the junior captain of the said squadron. Then there were the names of two gentlemen, Messrs. Steacie and Reynolds of Montreal to be lieutenants. And down at the bottom of the list Mr. Thomas F. Cotton, a Liberal, son-in-law of the above-mentioned John M. Gibson, and grand nephew of Senator Baker.

I knew you would not find a Liberal very nearly related to Senator Baker. The Minister of Agriculture says: But I have included some Conservatives and I have included some Liberals. Mr. Speaker, what is the principle upon which our militia force should be governed? Is it the principle of selecting some Conservatives and some Liberals? No, Sir, it is the principle of taking men irrespective of party. That is no defence on the floor of parliament. It may perhaps be satisfactory on the hustings; but it is no argument for a minister of the Crown to come here and tell us that cheap sort of thing, that the fact that there were some Liberals and some Conservatives vindicates him for interfering politically with the formation of this regiment. The moment he conveys that knowledge, that moment he confesses judgment on the resolution of the hon. leader of the opposition. There is no avoiding it, Sir, In any court of justice, he would have received such sentence as the crime demanded.

Now, Mr. Speaker, we will proceed. We find the Minister of Agriculture saying this:

> The position which I took then, and which I take to-day, is this: Colonel Smart was a stranger——

Not a foreigner, Mr. Speaker, only a stranger—

> —going into the district of Bedford to organize this regiment. He appears to have got into the hands of certain people out there.

Any one going to Sweetsburg and Cowansville will get into the hands of certain people if he wants to meet the best people of that district; and that gentleman got into these same hands.

> He told me himself that he had no political intentions. I fully accept that statement.

There is where the difficulty is, Mr. Speaker. If he had had some political intentions, and these had squared with the ideas of the Minister of Agriculture, we would never have heard one word about this question.

> I believe Colonel Smart, in making the statement that he had no political intentions, made a statement which was absolutely accurate and truthful.

Now, Sir, what more does anybody want for a colonel going into that district to form a militia corps, than that he went there free from political intentions? If that is not the very best reason why the hon. Minister of Agriculture should have his nose out of the matter and gone on plant-

ing turnips, hoeing corn and spreading manure and keeping strictly to the management of his own affairs, I do not know what is. He says again :

Hon. gentlemen opposite are very solicitous against political interference. They do not condemn me at all, Sir, because I asked that Mr. Russell, a well-known Liberal, should be removed from the place of major of another squadron and that he should be replaced by a well-known Conservative.

Well, I do object. I object just as much against the removal of Mr. Russell as against the removal of Dr. Pickel. It is a great principle we are fighting for. If the integrity of the militia is to amount to anything, if it is to have any strength as a fighting force in the defence of the country, it must be non-political and its officers must be selected from the very best men available.

I said a few moments ago that the hon. gentleman said Colonel Smart's action was non-political. I acquit Colonel Smart, but, as I said a few moments ago, I cannot refrain from saying again that although Colonel Smart's intentions were not political, his actions were intensely political.

Sir, either Colonel Smart went there as a politician or he was not. If he went there, not as a politician, but purely and simply to organize the regiment regardless of politics, then the statement of the Minister of Agriculture is one unworthy of a gentleman occupying his position. The position taken by the government and the minister opens the door wide to every politician in Canada to interfere in our militia. The minister says :

In suggesting the name of Mr. Adams, under the circumstances, was I interfering politically ?

I think he was.

No, I was interfering simply in a common-sense way.

Mr. Speaker, that thing is unknown to the hon. gentleman. It is foreign to him.

I was interfering simply in a common-sense way in the organization of the new regiment. I grant fully, and no man is more prepared to admit it than I am, that on purely military qualifications the military experts at the command of the government ought to rule.

I want to know, Sir, what higher duty can a military expert have to perform than the selection of the officers, upon whose intelligence the lives of the men under him must depend. You may make a mistake in the construction of a fort, but the first basis of a military force is the intelligence of its officers, and the hon. gentleman has pleaded guilty a dozen times over to his interfering politically in their selection. Then the minister went on :

When it comes to matters connected with the affairs of this country ; when it comes to matters involving local knowledge of local conditions and knowledge of the people of Canada——

Mr. POPE.

Will you tell me that when a business man has to fill a certain position of responsibility in his affairs, he does not seek the advice of the very best men who can guide him in his selection of the man most suitable to fill that position. If we have a question of law to decide, we do not go to our next door neighbour but to the very best lawyer of our acquaintance for proper advice and instruction. Consequently, I say that the selection of these officers is the highest function a military officer has to perform.

But when it comes to matters involving local knowledge of local conditions, I venture to think that the public men of Canada know more than any expert military or otherwise.

The public men of Canada—who are the public men of Canada ? They are not the ministers of the Crown alone. We have been told by the First Minister and by the Minister of Militia and the Minister of Agriculture that any minister in the cabinet should be supreme in all these matters which concern the district in which he resides. Sir, it comes down to a simple question of patronage and nothing more. Political patronage is to be the foundation of our Canadian militia in the future, and that means that every representative supporting the government in any particular constituency has the right to dictate to the General Officer Commanding who should be given commissions in the militia force in that county. But here is a tid-bit. Here is as ingenious an admission as we have had in many a day :

The leader of the opposition has said that Captain Converse is a Conservative. I do not know whether he is or not.

The minister does not know so much about local conditions as he thought he did, and he pleads guilty to lack of knowledge with regard to Captain Converse.

I have only this to say : That my colleague, the Minister of Marine and Fisheries wrote to me asking me to recommend Captain Converse for the position as adjutant of that regiment.

It never dawned on the Minister of Agriculture that the Minister of Marine would recommend any one but a Liberal.

It does not look as if he were a Conservative, unless the Minister of Marine and Fisheries is so favourable to the Conservatives that he should recommend one.

Is not that beautiful. There were no politics in the matter at all. Yet the poor little creature could not imagine his colleague recommending any one who was not a Liberal. He had left Ottawa and his farm and had gone down to visit the various parts of the district in order to see that a proper selection of officers was made. And he went down on a Sunday. I was very much surprised indeed to discover that the hon. Minister of Agriculture did not re-

remember the Sabbath day in that good old Christian community of the Dominion, the eastern townships. When he saw fit to violate that sacred day, I did not pass judgment upon him, because I know that in these matters he will have to reckon later on. The hon. minister says that he struck out Dr. Pickel's name and put in some other name, and that as the net result he got 16 Conservatives and 15 Liberals and 4 Independents on the list of officers. All he did was simply to change the whole thing upside down and make it to suit himself. But in all this there was no political interference. There is something more to discover in this business, and it is this. The Minister of Marine evidently was convinced that the Minister of Agriculture had the appointments in his own hands, and consequently when he had any recommendation to make, he passed over the Minister of Militia and went to the Minister of Agriculture. But what right had the Minister of Agriculture to have the appointments of these men in his hands ? If you will look the record over, you will find some twenty odd letters written either by or to Sydney Fisher, and you will find only one written by the Minister of Militia himself, and that was to Lord Dundonald, asking him if he had made that speech in Montreal.

Sir, looking at this whole matter from a standpoint of efficiency, I say that a blow has been struck at the militia of Canada. I say more. If Lord Dundonald was dismissed on good grounds, if he was dismissed because he reflected on the conduct of his superior officers, what about Colonel Whitley and Colonel Smart, who were the subordinates of Lord Dundonald and Mr. Fisher ? What is going to happen to these men ? Their heads will not be worth anything if the Minister of Agriculture does not agree with their opinions of ideas. Under these circumstances, who is responsible ? If Lord Dundonald should go, if the government is right in making it necessary for him to go because he was not subservient to the ministers of the Crown, I say that the man who was at the bottom of it, who pin-pricked the condition along, who, by his speeches in this House and by the record which has been developed in this debate was responsible, should go also. How does he prevent himself from going ? He stands there as plaintiff in the case and as judge also. A very courageous position to occupy. If the Minister of Agriculture had been compelled to win his position by the manifestation of the courage which has won his spurs and the reputation of Lord Dundonald, it would be a long time indeed before we should see him gracing a place in this honourable assembly.

Mr. Speaker, the hour is growing late, and the case has been well argued. One thing has been clearly proven. No one will charge the Earl of Dundonald with being a politician. There is no dismissal of Lord Dundonald for being a politician, but we have the dismissal or rejection, of Dr. Pickel for being a politician—that is established by the record and by the Minister of Agriculture's own word in this House. So, if political interference with the militia of Canada is a crime—and it should be—then the resolution before this House should pass. But, had the Prime Minister done his duty, had he exercised duly the powers with which he is vested by the constitution, had he guarded, as he should have done, the best interest of the militia of Canada, this resolution need never have been moved—for the Minister of Agriculture would have been put out of the government. And had this been done the Prime Minister would have stood higher in the estimation of the people of Canada than he does. As for Lord Dundonald, it is not necessary for me to defend him. As has been said in this House, but as I may be allowed to repeat because it gives me great pleasure to do so, he is a man of honourable intentions, a soldier, a wealthy man who left his home and came here to Canada. And what for ? To dabble in politics ? Do you think he came here to appoint people to office or to dismiss Pickel from office ? He came here to spend a few years and to give Canada the benefit of his experience. As an army officer in South Africa he had seen a sample of the boys who had gone out from Canada—had gone out not through any willing action on the part of the government of the day—and he said : Here is a specimen of manhood under the British flag that, I believe, can be made the most efficient portion of the British army. He had no thought of establishing the system of militarism that hon. gentlemen opposite speak of and that their press are shrieking about throughout this country. Lord Dundonald is on record, and strongly on record, on that point. And he is too practical a man ; he learned too well the character of our boys in South Africa, to recommend militarism for Canada. He came here to do his duty. He worked faithfully and hard. He worked under the praises of the Minister of Militia (Sir Frederick Borden) who, last night, I regret to say, played a role in this House which was creditable neither to himself, nor to the government, nor to Canada. Lord Dundonald came here to perform a great, a sacred duty—for to the soldier his duty is a sacred one. The true soldier is not necessary a mercenary, but he is a man who is moved by deep sentiment of patriotism and loyalty and who believes that the exercise of his profession is necessary to preserve the integrity of the nation to which he belongs. And I say it is a sad exchange, it is an extremely poor bargain, to give away the ability and experience of the Earl of Dundonald in exchange for the privilege of keeping in his place the gentleman who

occupies the position of Minister of Agriculture.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). Mr. Speaker, the defence which we heard yesterday from the Minister of Agriculture (Mr. Fisher) against the charges contained in the motion in your hands was so full, so complete and so masterly that there was no need for any of his friends to interfere in this debate. Nothing could be added to what had been said when he sat down. And, if I rise in this debate it is not at all to follow the line of argument that has been pursued; it is to call the attention of the House to the closing paragraph of the motion of my hon. friend the leader of the opposition (Mr. R. L. Borden). The words to which I wish to call attention are especially these:

The House regrets that this unwarrantable interference has been approved by the government, and that it not only has unduly delayed the organization of the regiment, but has culminated in depriving the Militia of Canada of an experienced and distinguished Commanding Officer.

'Has culminated in depriving the militia of Canada of an experienced and distinguished officer.' Here is a statement which is not warranted by anything which has been proved to this House. The motion is an indictment against the Minister of Agriculture. The Minister of Agriculture joined issue upon it with his accusers. He has traversed it, in every particular; and I submit to the impartial judgment of those who heard him, that he has cleared himself completely of the accusations and insinuations brought against him. Even if the charges here asserted were true, there is no justification and no reason for saying that the action of the Minister of Agriculture, even if proven, was the cause why Canada has been deprived of the services of an experienced and distinguished commanding officer. For, my hon. friend the Minister of Agriculture in the speech which he delivered yesterday, showed conclusively to the House that nothing which he may have done was conducive to the retirement of the General Officer Commanding; he stated and proved, that for several weeks before, it had been the determination of Lord Dundonald to retire from the post which he has occupied for two years. My hon. friend gave the evidence, but I think it will not be amiss if I repeat, in one particular the case which he made. I have here the statement delivered to the press by Lord Dundonald which, has been, not improperly, I think, characterized as a manifesto. Speaking, as he says, of the impediments put in his way by the Department of Militia and of the many things done to mar his work, Lord Dundonald tells the people of Canada that he had come to the conclusion that he would sever his connection with the department. These are his words:

It seemed to me that the best way to help the militia of Canada was to let day-light into the working of the system.

I realized, moreover, that the new Militia Bill would soon be discussed in parliament, and that it was my duty to give a warning of certain dangers before it was too late.

I might have lodged an official protest with the government. I cannot see that this would have been of any avail. It would have been simply one more document in a pigeon hole.

A course offering many attractions was to resign and issue a public statement giving my reasons. So far as I personally was concerned it would have been by far the easier and more pleasant course. The objection was that by so doing I would give neither the government nor the people of Canada any real opportunity to pass judgment upon the matter brought to their attention. My protest would have been made it is true, but not in a manner that would have attracted attention to the evil.

It seemed better to make a public protest and to leave with the government the option of heeding it, or of upholding the system which is destructive to the efficiency of the national defence.

I was in this frame of mind when Mr. Fisher's interference with the 13th Scottish Light Dragoons came to a head. It precipitated my resolution to speak out, no matter what the consequences.

I have quoted at length from the statement of Lord Dundonald simply to show that whatever may have been done by my hon. friend the Minister of Agriculture, whether it was right or wrong, there was not the cause which eventually deprived Canada of the services of Lord Dundonald; this is an issue no longer to be fought out here. That may have been the occasion but it was not the cause why Lord Dundonald took the course he did. If that be the fact, and it cannot be controverted, why is it, Sir, and I submit this to the judgment of the Canadian people, that these words have been imported into the motion of my hon. friend the leader of the opposition?

That the conduct of the Hon. Sydney Fisher, Minister of Agriculture, in interfering with the commanding officer of the 13th Scottish Light Dragoons . . . . has culminated in depriving the militia of Canada of an experienced and distinguished commanding officer.

Sir, if there is any reason for the insertion of these words in this motion, words which are not founded on any fact whatever, that reason is palpably and solely to allow the followers of the hon. gentleman in the country to attack the government for an act which they dare not challenge before the House. For the last two days we have heard the government reviled, attacked and vilified for having taken the course which we felt compelled to take in regard to Lord Dundonald; and, Sir, if these gentlemen are sincere in their utterances, if they want to characterize the course of the government, as they have characterized it

in their speeches, if they have the courage to express the feelings of their heart instead of mouth-made indignation how is it that they have not brought forward a vote of censure on the government for having dismissed Lord Dundonald instead of moving this namby pamby resolution?

The leader of the opposition concluded his speech yesterday with words of praise and encomium for Lord Dundonald. Let me say at once that I have not the slightest exception to take to the encomium and praise of Lord Dundonald as a soldier. Even at this moment, though I regret as much as any man can regret, the indiscretion which he has committed and which could have only one termination, I am happy to say that as a soldier and as a man I would join in everything that is said of him. But there is a cloud in every sky, and at this moment if the services of Lord Dundonald are lost to Canada, under circumstances painful to all, yet the necessity of which is callenged by none, it is not through the fault of the government of Canada.

Sir, if you read the history of the difficulties which culminated a few days ago by the painful obligation placed upon the advisers of the Crown of relieving Lord Dundonald from his command, and if you study these difficulties in the light of the speech he made in Montreal, in the light of the explanation given a few days ago by the Minister of Agriculture, in the light of the explanations given by the Minister of Militia, in the light of the statement placed in the hands of the hon. member for North Victoria (Mr. Sam. Hughes) by Lord Dundonald himself, you can come to but one conclusion ; you will see in this but one more of the numerous contests for supremacy between the military power and the civil power which have taken place in England and in all British countries for many ages back. In England, Sir, and in all British countries, and indeed in all civilized countries, these contests have taken place, but with this difference, however, that in all countries except England and British possessions, this contest invariably terminated by the civil power being crushed by the military power ; whereas in England and in British countries, countries that enjoy British laws, the contest was decided once for all in favour of the civil power and of civil liberty. But though this contest was decided more than 100 years ago, still it is now and then revived by the military power. It was revived, as I shall show later on, even in England two or three years ago, it has been going on in this country for many years. For Sir, this is not the first difficulty of this nature that we have had in Canada, and even in other colonies, for example in Australia, they have the same trouble and the same contest that we have here. Sir, there is one thing in this matter that is very remarkable. Lord Dundonald is a good soldier I readily admit. But I call attention to the fact that the King's regulations for the British army in which Lord Dundonald served and in which he acquired distinction and glory, expressly forbids :

> Deliberations or discussions by officers or soldiers with the object of conveying praise, censure, or any mark of approbation towards their superiors or any others in His Majesty's service.

The regulations of the militia of Canada, the command of which Lord Dundonald volunteered to assume two years ago, expressly declare :

> It cannot be permitted that (officers) shall bring accusations against superior officers or comrades before the tribunal of public opinion, either by speech or letters inserted in any newspaper ; such a proceeding would be in glaring violation of the rules of military discipline, and in contempt of authority.

Lord Dundonald apparently had a disagreement with his minister, and he chose to appeal, not to the proper authority, but to the very tribunal to which he was forbidden to go, to public opinion. The thing was so extraordinary that when the Minister of Militia saw in a newspaper of this city a report of the speech which Lord Dundonald had delivered in Montreal, he could hardly trust his own eyes. He wrote a letter to Lord Dundonald and asked him if the report was correct, and the answer came that the report was substantially correct. In Lord Dundonald's communication to the minister there was not a shadow of palliation, not a word of explanation, not an attempt at justification. The offence therefore was very glaring, and in face of such a breach of dicipline of such an act of insubordination, there was nothing for the government to do but to take prompt and immediate action against the offender, and upon this action the opposition have not dared to challenge the government. There is something more extraordinary. Lord Dundonald tells us in the paper from which I have quoted that the action he was compelled to take was the only means he could take in order to serve the Canadian militia. Sir, it seems strange, to me at all events it is very strange, that the commander of the forces, the man who was placed by the govment at the head of the militia, should have chosen, as a means of serving the militia, to break the fundamental law upon which the militia force rests.

Sir, there is no more essential law for any military organization than discipline. Without discipline as Lord Dunnonald knows even better than I do, no military organization can exist and therefore, while I do not question the intentions of Lord Dundonald, it seems to me a singular mental process that he should have taken such a course as that in order, as

he says, to benefit and serve the militia. But, Sir, if we go on further in the paper which Lord Dundonald has placed before the public, in the manifesto in which he says he wants to relate to the Canadian people the difference between himself and the government of Canada, we are bound to come to the conclusion that the true reason of the differences that he has had with the Department of Militia and Defence was simply that my hon. friend the hon. Minister of Militia and Defence would not be dominated. We thought at first after the speech at Montreal that the quarrel of Lord Dundonald was with my hon. friend the Minister of Agriculture, but we find by the paper which he has placed before the public, that his quarrel with him was only on the surface, that it was only a pretext and that the real quarrel he had was with my hon. friend the Minister of Militia and Defence. What is the source of the difficulty he has had with my hon. friend the Minister of Militia and Defence? He says that he offered advice which was not accepted, that he made suggestions which were refused, that he made a report which was suppressed and he says—in this I have no doubt he was quite earnest and quite sincere—that when he gave such advice, that when he made that report and that when he offered those suggestions he had nothing in his mind but to serve the best interests of the militia of Canada. I have no doubt of that. I do not question the intentions of Lord Dundonald whatever. I am speaking of his actions. I have seen a little of Lord Dundonald and I am bound to say that I believe he is a man very much in earnest and I would not presume to say anything which would impugn his honour or his intentions. But it must be admitted that a man imbued with the best intentions may not always be a safe guide or leader. This is not the first time that a man with the very best intentions has been led into a very wrong course and if that gentleman gave my hon. friend the Minister of Militia advice which was refused, if he gave him suggestions which were not accepted and if he made reports which were not thought advisable to publish while I do not deny that his intentions were good, I believe equally that the intentions of my hon. friend the Minister of Militia were just as good as his own. What happened then was what very often happens. Upon every occasion of a disagreement between honourable men upon acts to be done, upon a policy to be followed; because one is in earnest it does not follow that the other is not as much in earnest, and because one is honest it does not follow that the other is not honest, but it follows that either one or the other is erring in judgment, that one is right and the other is wrong, and in a matter of this kind I would just as soon accept the judgment and intentions of my hon. friend the Minister of Militia as

that of anybody else who may serve under him. My hon. friend the Minister of Militia and Defence has been eight years in office. I believe I am correct in this, although I speak under advice, that he has held that position longer than any one of his predecessors, and certainly whether he has held it as long or longer than any one of his predecessors I think I am within the mark when I say that there is not one of his predecessors who has done as much for the militia as my hon. friend the Minister of Militia and Defence has.

There is an impression abroad that the General Officer Commanding holds his commission from the imperial authorities, that he is the delegate of the War Office. Nothing of the kind. We know better in this House, but, Sir, I think perhaps, it would not be amiss if I were to quote the law on this subject so as to dispel an impression which exists in many minds. Here is the law on this point and it shows that the General Officer Commanding the forces holds his commission from the Canadian government. The Militia Act, section 37, says:

> There shall be appointed an officer who holds the rank of colonel or rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia, and shall be paid at the rate of four thousand dollars per annum in full of all pay and allowances.

Now let me quote the Order in Council which was passed appointing Lord Dundonald and which is to be found on the first page of the papers brought down a few days ago:

> On a memorandum dated May 17, 1902, from the Minister of Militia and Defence, stating that he duly received the Colonial Office cablegram, dated May 12, 1902, stating that Major-General O'Grady Haly's retention in the command of the Canadian Militia until July 19, next, was approved.
>
> The minister recommends that Major-General, the Earl of Dundonald, C.V.O., C.B., who has been selected by the home government, be appointed to the command of the Canadian militia, from July 20, 1902, with a salary of four thousand dollars a year, and allowances of two thousand dollars a year, as provided by the statutes.

Lord Dundonald was suggested to us by the imperial authorities. That is a course which has always been followed. We have always taken the selection offered us by the imperial authorities and in this case I am free to say that I felt glad of the selection of Lord Dundonald. Lord Dundonald has the honour of bearing a name which is not unknown in history. He bears a glorious name and one to which he himself has added much lustre by his own exertions. We thought that we would

have a proper commander of the Canadian militia and one under whom the militia would be only too proud to serve. But, everything did not go as smoothly as could have been hoped. What was the cause ? Everything would have gone well and there would not have been any disturbance whatever and we would not have been in the painful position in which we were of having had to exercise one of the most extreme powers at our command, if Lord Dundonald had been satisfied with being the adviser of my hon. friend the Minister of Militia and Defence, and if he had not always had something behind and had not always been looking beyond his office. That is the true and only cause, as far as I can see it, of the difficulties that have arisen between Lord Dundonald and my hon. friend the Minister of Militia and Defence. Lord Dundonald has told us more than once in the paper from which I quoted a moment ago that he had a policy. I want to know, Sir, what right has any commander of the forces to have a policy ? Lord Wellington, the most illustrious soldier that ever was at the head of a British army, Lord Wellington one of the greatest warriors that ever appeared in the world, Lord Wellington, perhaps the most successful general who ever fought at the head of an army, never had a policy so long as he was the commander of the forces. The only thing he had in mind, and his voluminous correspondence proves it, was to serve the government of which he was an official and a servant. Take the fourteen or fifteen volumes of his correspondence, peruse them page after page, and you will find that he always gave reports when he was asked for them, that he was most solicitious for the welfare of his soldiers, that he gave advice more than once, but whether his advice was heeded or refused, he did only one thing and that was to carry out the instructions which were given to him.

But, Sir, Lord Dundonald tells us that he had a policy. He tells us likewise that he had no intention of forcing his policy on the cabinet. He tells us several times—he recurs again and again to the same idea—that he had no intention of imposing his views on the cabinet. He says :

> In all of my work I have endeavoured to keep steadily in view the nature of my post. I have not sought to impose my policy upon the minister or upon the cabinet.

Later on he says :

> I had no desire to force my policy upon the ministry.

I do not question the sincerity of Lord Dundonald when he spoke thus, but when he tells us that he had no intention of imposing his views on the ministry, I say that to me there is evidence abundant in the paper which comes from his own pen that he misconceived his own mind in that regard, because Lord Dundonald tells us—and that is one of the grievances he has against the Minister of Militia, and one of the causes of difficulty that have led to this unfortunate conclusion—that he embodied his policy in his report and wanted it published. He had intended it, he says, 'for publication.' Again I ask what right has the General Officer Commanding the militia to write a report for publication ? And what right has he, and where shall we find that he has the power to write a report which he wants to have circulated in the press, debated on the platform, circulated all through the columns of publicity. Sir, the commander of the militia writes a report for his minister, and it is for his minister to decide whether that report is to be published or not to be published. But, Sir, I say this,—and this is a point at issue between the hon. gentlemen opposite and us ; they pretend on the other side, endorsing the policy of Lord Dundonald, that the Minister of Militia was bound to bring down the report which Lord Dundonald had intended for publication. I distinctly say : no ; I take issue with them on this point. I will leave this point aside for the present, but will revert to it later on, and shall substantiate my views by authority. But, Sir, before I depart from the subject let me say that it is with me a grievance against the General Officer Commanding—and again I say I would not say a harsh word against him under the painful circumstances which are his, I would not do a thing of that kind—but I have to say that one grievance which I for one have against the late commander of the forces is that in every possible way he sought to bring his views, the views which he had placed before the minister and which had not been accepted by him, before the public and to raise the issue which is now in question between him and the Minister of Militia. Why, Sir, in a speech which was delivered by Lord Dundonald the first of April, 1903, he referred to his views. He said :

> Though I have recommended certain steps which I think are necessary for the militia, I wish here emphatically to deny a falsehood current in certain papers, namely, that I was much annoyed that $12,000,000 was not provided in this year's estimates for the militia for capital expenditure. If $12,000,000 was provided at this moment I could not with the moderate proposals I made recommend its expenditure with advantage in a year. Such expenditure might well be spread over two or three years on that organization.

Here you have the fact that although the Minister of Militia had not been willing to accept the report of Lord Dundonald, to make it the basis of his policy or to bring it before parliament, yet Lord Dundonald proceeded to give to the public what was, at all events, the generic idea which he had in his mind with regard to the policy he wanted followed.

Let me leave this for a moment, although later I may return to it again. But I will ask a question here, and it is a question which I think is fair. What are the duties of the commander of the forces in Canada ? Sir, I think I can answer that in an easy way. Everybody will agree with me that the duties of the commander of the forces ought to be and are analogous to the duties of the commander of the forces in Great Britain. Upon this point, to be absolutely sure, I quote to the House an authority which will not be questioned, that is the authority of Todd on Parliamentary Government in the British Colonies. Speaking on our law, Todd says

By an amendment of the law, passed in 1875, it is enacted that there shall be appointed to command the militia of the Dominion of Canada an officer holding the rank of colonel, or superior rank thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while holding such appointment, shall have the rank of major general in the militia. The duties of this officer are analogous to those performed in England by the Commander in Chief of the British army and he is, in like manner, subordinate to the civil power, and subject to the direction of the Governor General through the Minister of Militia and Defence.

Now, Sir, it will follow in sequence that I should quote to the House what are the duties of the commander of the forces in Great Britain. I cite now from Todd Parliamentary Government in England. Vol. 2, page 747:

On February 21, 1888, the following Orders in Council were passed concerning the office of Commander in Chief, the financial secretary, and the other heads of the military and civil departments.

The Commander in Chief.

As it is expedient to define the duties of the Commander in Chief, or of any other officer who may hereafter from time to time be appointed to the chief command of Her Majesty's forces, Her Majesty in Council is pleased to order that—subject to the approval of the Secretary of State for War, and to his responsibility for the administration of the royal authority and prerogative in respect of the army—the said officer shall be charged with the command, discipline, distribution, military education, training, and efficiency of the officers, warrant officers, non-commissioned officers, and men of the regular and reserve forces and militia of the United Kingdom, and of the yeomanry and volunteer force of the United Kingdom when subject to military law or when assembled for training, exercise, inspection, or voluntary military duty ; with enlisting men for, and discharging men from, the regular and auxiliary forces with the selection of fit and proper persons to be recommended to Her Majesty for appointment to commissions in the regular forces, and with the submission to Her Majesty of qualified persons recommended for appointment to commissions in the auxiliary forces ; with the selection of fit and proper officers, whether of the regular or auxiliary forces, for promotion, for staff and other military appointments, and for military honours and rewards ; with obtaining, holding and issuing to all branches of the regular and auxiliary forces, food, forage, fuel and light, clothing, arms, accoutrements, munitions of war, and all other stores necessary for the efficient performance of their duties, by such forces, of proper quality and pattern, and in proper quantities, according to the regulations governing the provision, custody, and issue of such supplies, and with exercising a strict control over the expenditure of such supplies ; with the construction, maintenance, and custody of all fortifications, works, and buildings, and charge of all lands, belonging to the War Department, and with allotting quarters ; with the provision and maintenance of horses and transports for the troops, and directing land and water transport ; with the collection and record of strategical and other information, including topography, in relation to the military circumstances of this and other countries ; with the preparation and maintenance of detailed plans for the mobilization of the regular and auxiliary forces ; with preparing the estimates for all the above services ; and with the duty of rendering such advice and assistance on military affairs as may be required of him by the Secretary of State for War——

I call the attention of the House to the concluding words :

—and with the duty of rendering such advice and assistance on military affairs as may be required of him.

Not as he may choose to offer himself but as may be required of him, and the difference between the duties which are imposed upon the commander of the forces in Great Britain, and the duties which are to be performed by Lord Dundonald according to his own conception was, that he was not to wait until he was asked to give advice, but he was to proffer advice to the Minister of Militia, which the Minister of Militia was bound to accept whether he approved of it or not. Let me go a point further.

I know—and it is heralded by the press which supports hon. gentlemen opposite—that a crime has been charged against my hon. friend the Minister of Militia—a grave offence has been put upon his shoulders—because he has refused to accept the advice of Lord Dundonald, and has refused to bring that advice before parliament. It was stated in the House yesterday, and I believe it has been repeated to-day, that it was the bounden duty of the Minister of Militia, as soon as he was given that report by Lord Dundonald, to bring it before parliament—that if he failed to do so, he failed to comply with the law of parliament. Sir, nothing could be more in contravention of the law of parliament than such a doctrine. I assert, Sir, as a principle of parliamentary law, that all reports which are sent to

the government or to the head of any department by subordinates, unless they relate to mere questions of fact and routine and the every day transactions of the department—that all reports in which are implied questions of policy—are from their very nature confidential, and remain confidential until in the judgment of the minister they become the contrary. This is a broad statement to make, perhaps, but I make it on authority. I have already quoted Todd, who is acknowledged to be the best writer on this subject. Let me call the attention of hon. gentlemen to what he says on this point:

> The system of laying upon the table of the House reports from officers addressed to particular departments of the executive government is most objectionable. And the House ought not to insist 'upon the production of papers and correspondence which concerned the preparation and preliminary consideration of measures; they would thereby put a stop to that freedom of criticism which was always invited on such occasions, and which contributed so much to the perfection of public measures.' If the House were to insist upon the production of such documents, instead of the government getting what we get now, confidential reports, containing the most minute details of the opinion of officers, given frankly and freely, for the heads of departments, we shall have a system of reports framed for laying upon the table of the House of Commons, and those will be accompanied by 'confidential reports for the head of the department alone.' There have been cases in which reports of a confidential character from officers of the government have been laid upon the table of the House, to prepare the public mind, and also that of parliament, to consent to some large measure, or perhaps some considerable vote of public money; but, generally I think it is a course which the House ought not to sanction.'

Mr. CASGRAIN. Will the right hon. gentleman say whether that is Todd in Canada?

Sir WILRID LAURIER. No, that is Todd in England. That is not simply the opinion of Todd. It is a series of quotations from speeches delivered in parliament by the great leaders who have brought the law of parliament from time to time up to its present perfection. The last quotation of all is from Mr. Disraeli, who says:

> There have been cases in which reports of a confidential character from officers of the government have been laid upon the table of the House to prepare the public mind, and also that of parliament, to consent to some large measure, or perhaps some considerable vote of public money.

This would have been the case here. The report of Lord Dundonald, I understand, would have been a preparation for a large expenditure of public money; but Mr. Disraeli said:

> But generally I think it is a course which the House ought not to sanction.

There is implied in this that such a report might be brought down at some time; but this is a matter of governmental responsibility, on which parliament is to depend, unless there is a vote of censure. But the minister is absolutely free to follow his own opinion in this respect, and not to follow the dictum of the gentleman who is appointed as his adviser.

I may be told that this is antiquated law. Well, there is something more recent than that, which I now give to the House. I have stated that though the question of supremacy as between the military and the civil power in England has been settled more than a hundred years ago, and settled in favour of the civil power, still every now and then there is an attempt made to revive the old rule and to bring back the military power in control. Not later than two years ago, there was at the head of the army in Great Britain a gentleman who has left a record dear to the hearts of Canadians—Lord Wolseley. He was the Commander in Chief; and strange to say—or perhaps I should say, natural to say—even such a soldier as Lord Wolseley, a man acknowledged to be prudent in his course and in his views, had a difference of opinion with the Secretary of State for war. He offered advice to the Secretary of State for War, and the Secretary of State for War, like my hon. friend the Minister of Militia, would not follow that advice. Then Lord Wolseley did what I think Lord Dundonald, if he had been better advised, should have done also: he placed his resignation in the hands of the government. If Lord Dundonald had followed that course—and he says he had the idea in his mind—if, instead of taking the violent, the extreme, the unpardonable course of committing a breach of discipline, he had resigned, and placed his resignation on paper, he could have brought before parliament everything he wanted to bring. It could not have been pigeon-holed, as he suggested, but it would have been brought before the House, and the House could have judged of it. Lord Wolseley took the better course of resigning, and some time afterwards on the floor of the House of Lords, he gave expression to his views. On the 4th March, 1901, he addressed the House of Lords and criticised the administration of the War Office, and the nature of the relationship between the Commander in Chief and Secretary of State for War. Lord Lansdowne, who was the Secretary of State for Foreign Affairs, replied in the House of Lords, and made use of the following language, which will be found in the Parliamentary Debates, 4th series, Vol. 90, page 356:—

> In another part of the statement of the noble Viscount, he told the House that he thought it was extremely necessary in the interests of public safety, that when the Commander in Chief and the Secretary of State for war were unable to agree, the public should be taken

into our confidence, and that we should leave the public, as it were, to choose between the two.

I am afraid that that is somewhat a council of perfection. Does the noble and gallant Viscount think that the government of this country would be possible, that the administration of the War Office would be practicable, if, whenever the Secretary of State and the Commander-in-Chief were not at one, their arguments were to be publicly paraded and to form the subject of controversies in the press or on the platform. I cannot conceive a more fatal arrangement than that there should be disputes of this kind in the eye of the public. The noble and gallant Viscount is a great supporter of a very popular institution called the Military Tournament. I should be very sorry if the Secretary of State were obliged to take part in a military tournament of the kind which the noble and gallant Viscount suggests.

Now I pause and ask the attention of hon. gentlemen opposite : Is not the language of Lord Lansdowne applicable, in every particular to the case we have in hand ? If you substitute for Lord Wolseley, Lord Dundonald, and for the Secretary of State for War, the Canadian Minister of Militia, you have our case in every particular. The following day the debate was participated in by Lord Salisbury, and I commend the language of Lord Salisbury as that of one who has always been noted for his Conservative tendencies and strong, rugged common sense. This is what he said :

It is said of a certain class of correspondent that the important observation always comes at the end. I think that applies to the speech of the noble and gallant Viscount. He told us, not as one of the main points on which he was insisting, but as something which occurred to him at the end, and which ought to be mentioned before he sat down, what was his solution of any difficulties that might arise if the Commander-in-Chief and the Secretary of State were not of the same mind. I think he puzzled the House. He said we were to take the people into our confidence, and to tell the press what we thought, and then the question at issue was to be discussed openly. How you were to decide which party was to be victorious, I do not know, but the result of the battle royal was to determine the particular decision on which the office was divided. I allude to this because I think it is a matter which is really at the bottom of our difficulty. I do not think the disputants, especially if they are military disputants, have entirely realized that the army is under parliament and that the minister who controls the army does it as one who is responsible to parliament and represents all the authority which parliament possesses. Unless you keep that steadily in mind, no doubt you will see many anomalies in our military system, and its relations to the civil power. But it is no use comparing our army with the army of France or of America, or of Germany or of Russia. They all differ in that one point, that the parliamentary system of governing the army does not exist among them. We must accommodate ourselves to the present state of things. Everybody knows historically how it has grown up, and everybody knows that it is intertwined too closely with all the fibres of our constitution to justify any one who forms his projects and bases his reasoning on the supposition that this relation can be modified. At the end we must have an army governed by parliament, governed by a minister who is responsible to parliament, and in any difference of opinion, whatever it may be, the Commander in Chief must be a subordinate of the Secretary of State.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER (reading)—

Military men may not like that, but there it is. It is one of the bed rock circumstances of the situation, something from which you cannot depart ; and you must devote your hands to making it work and it has worked in the main hitherto very well.

Yes, I think it has worked very well in England.

And take care that it produces in the future, as it has produced in the past, results which it would have been impossible to produce in any foreign country. I feel that this debate will be lost upon us unless we take care to guide ourselves by that chief and predominant principle. In speech after speech from military men, men who know the language and spirit of the War Office, it is easy to detect a desire that military problems shall only be solved by military men ; but any attempt to take the opinion of the expert above the opinion of the politician must, in view of all the circumstances of our constitution, inevitably fail. It must not be supposed that in such contests the expert must win. In all these discussions there is an evident and growing desire to shake free of this necessity. I thought I traced it even in the peroration of the noble Earl, although I am sure he is too good and constitutional a statesman to entertain any idea that the existing system can be radically changed. That is where the shoe pinches—that the men who know, or who ought to know, namely, the experts, are not the men to decide the dispute in question ; but the decision, if it accords with their view at all, must be brought about by the concession of the civilian and the politician.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. If this doctrine had been asserted by me, without saying from whom it came, there would have been a howl from the other side. But this is the true constitutional doctrine. I was told this afternoon that I was a separatist, that my heart was not with British institutions. Sir, I am proud to say once more, as I have said many times that from my boyhood I have been a true adherent of British institutions.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. I say more, I claim that I understand—and in saying this I do not think I am boasting—British institutions far better than many hon. gentlemen on the other side who try to assail me.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. When Viscount Wolseley had a difference with the War Office and wanted to bring that difference before parliament and the people, and allow the people to judge between the two, what did the War Office decide ? It decided that Viscount Wolseley, illustrious general as he is, was subordinate to the civil power, and that if the views he submitted to the civil power were not acceptable, there was no help for it and he had to submit. Sir, we assert nothing else in this matter. But I will say more. My hon. friend the Minister of Militia, in his anxiety to do the best he could for the militia, went further than anybody in his position would have gone in England. He submitted last year to the opposition a proposition both wise and patriotic. He stated to the opposition that he had received a plan which he did not endorse, and which, in his opinion, it would be a grevious mistake to make public. But as perhaps there might be some good in it, he offered to hon. gentlemen opposite to have a committee formed, on which they would be represented, so that both sides might examine into this plan, but because there were things in it which it would not be wise to divulge to the world, the proceedings of that committee should not be made public, but be kept secret. This offer was not accepted last year. but nobody then made it a grievance against my hon. friend that he did not parade before the whole world not only our resources, but our weaknesses as well, and under the circumstances it seems to me that the position taken by the government to-day is absolute unassailable. It also seems to me that the position taken by Lord Dundonald cannot be justified from the point of view of constitutional government. What Lord Dundonald wanted was to assert the supremacy of the military power over the civil ; but, as my hon. friend the Minister of Militia said yesterday, so long at all events as there is a Liberal government in Canada, the civil power shall rule over the military.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. Let me now pass to another subject which has been the proximate cause of all the difficulties between Lord Dundonald and the Minister of Militia. I refer to the recommendations which were sent to Council by the Department of Militia for the organization of the 13th Scottish Light Dragoons. On the 19th of May, Lord Dundonald signed a recommendation to Council. That recommendation came back from Council with a name erased by a member of the cabinet. This seems to have been in the eyes of Lord Dundonald a most grievous offence. I do not wish to say anything offensive; but, if I am to construe according to what seems to me the only sense possible, the speech which was delivered in Montreal some few days ago, Lord Dundonald regarded it as an offence that, he having put his pen to a document, anybody else should put his pen to that document afterwards ; he having stated that such and such appointments should be made, those appointments should stand whether they were good or whether they were bad. Now, some time ago I stated in the House that Lord Dundonald having so recently come to the country and never having been in the eastern townships could not know the men he was recommending. I speak under correction ; he may have known one or two, but I doubt if he knew more. I doubt, if he knew, for instance, Dr. Pickel. When the recommendation came to Council from Lord Dundonald, it was known to every man in the Council that Lord Dundonald had taken his information second hand, that he must have received from somebody recommendations as to these appointments. He tells us that he had got it from the gentleman whom he had entrusted with the recruiting of the regiment. So far so good. But, if there was at the Council a gentleman who could say : I come from the part of the country where this regiment is to be recruited ; I know the gentlemen whose names appear on the list and I approve of all of them except one ; this one, Dr. Pickel, in my estimation is not qualified for the position to which it is proposed to appoint him ; he has never taken an interest in the militia and I assert that it is not right, it is not conducive to the best interest of the regiment and of the militia that this gentleman, who has no military qualification, should be put in such an important post as major ;—if there were at the Council a gentleman able to speak such words with the authority of local knowledge, will any hon. gentleman on the other side say that it was an offence against the dignity of Lord Dundonald for the Council to be influenced by such representations? Will any hon. gentleman say that it was not, I will not say the right only, but the duty of that hon. gentleman to declare his honest convictions ? Yet the head and front of the Minister of Agriculture's offending had this extent, no more.

Sir, I will not go into the minute, petty question whether or not my hon. friend the Minister of Agriculture had the right to sign that document for the Minister of Militia. I see before me my hon. friend from South Lanark (Mr. Haggart) ; he is an old parliamentarian, and he knows that every day a colleague signs for a colleague and that the recommendation so signed goes before the Council and is dealt with by the Council. That ought to be a sufficient answer to such petty, miserable criticism. But, there is something more. Wonders will never cease,—the once proud Conservative party, in their downward career, have come to this—that yesterday we heard from one of the leaders of that party, my hon. friend from Jacques Cartier (Mr. Monk) a

declaration that the General Officer Commander should be given *carte blanche*. The General Officer Commanding, is appointed by this government and occupies a subordinate position. But, according to the hon. gentleman he should be given *carte blanche* and whatever he does should be accepted; the minister and the cabinet should be simply recording clerks of his will. And this is the policy of the once great Conservative party. My reading of history has informed me—and no doubt my hon. friend from Victoria, N.S., who is an old veteran in the cause of reform, has the recollection that there was a time in Canada when we had militia authorities to govern us. Those were the old times of the Family Compact, when the military authorities were surrounded by a crowd of sycophants and minions, who could dispose of the public domain for their own benefit and that of their favourites. I do not know how the new doctrine will strike the whole province of Ontario. But if the names of Brown and Mackenzie have not been erased from the memory of the people there, I can imagine how the Grits of Ontario will receive it. The hon. member for Jacques Cartier went even further. Having stated that we should give *carte blanche* to the General Officer Commanding, he went on to the conclusion, which was inevitable from his premises, that we had acted very wrongly in relieving Lord Dundonald of his command. He went further still; he told us that the treatment which we had meted out to Lord Dundonald was harsh and cruel. How harsh and cruel? That it was painful to those who had to inflict it is undoubted; but if it could have been avoided, I confess I do not see how. We were told to-day that we might have done in the case of Lord Dundonald what was done in the case of Lord Charles Beresford. Certainly we might, if the cases had been alike. If, like Lord Charles Beresford, Lord Dundonald had apologized for his conduct, certainly we would have treated him as Lord Charles Beresford was treated. Lord Charles Beresford had written a letter which was published without his consent and he so declared. But Lord Dundonald went to Montreal for the very purpose of bringing on this scandal. Therefore, there was nothing to do but what we did. For our course we have abundance of authority in the mother country. Only two years ago, just after the conclusion of the South African war, General Colville had a disagreement with some of his brother officers. He was charged with not having done his full duty under certain circumstances in South Africa, and with having left a certain portion of the army in great distress, whereas, if he had been more active and determined he might have relieved it. The War Office took a lenient view of the accusations against General Colville. They did not dismiss him; they did not deprive him of his rank; they gave him a command in Gibraltar. But when General Colville had been given this new command he made the great mistake of going before the public, of writing for publication in the press, commenting upon those who had brought the accusations against him. And what happened then? He was at once relieved of his command. The debate upon the subject is instructive. The War Office had taken a lenient view of General Colville's case. But, when he sought to bring his complaint before the tribunal of public opinion, instead of laying it before the Commander in Chief, the measure of his offences was full. The matter was brought before parliament by Mr. Charles Douglas. I quote from the speech of that gentleman as reported in 'Hansard' page 1251:

> A very considerable prejudice had been created against General Colville by the fact that he had published in the newspapers a statement of his treatment by the War Office. He did not defend that action of General Colville's. It was most desirable and necessary that they should uphold and fortify the great traditions of army reticence. Sometimes it led to hardship, but it was essential to discipline, and more than ever necessary now in view of the extreme activity displayed by the newspapers. He did not defend General Colville's action, but hoped the House would allow him to submit one or two considerations in regard to it. In the first place reticence could not be all on one side. If their generals were never to take means of vindicating themselves publicly, then he ventured to think that a little reticence should be observed by the War Office.
>
> When General Colville returned to this country the first thing he saw was a newspaper paragraph which was obviously inspired.

Now mark the answer which was made by Mr. Brodrick, Secretary of State for War:

> The question is whether a public stigma would have been put upon General Colville. That is what I wished to avoid. After that General Colville's action cannot be defended by any one. He left for England. He did not avail himself of his right of appeal to the Commander in Chief. He made no representations to the War Office. He immediately published what he called a justification, but which consisted rather of an attack upon the staff officers in the Transvaal; and which also included, I regret to say, what appeared to be some ungenerous sneers against the cavalry whom he had found it impossible to relieve. And obviously it is impossible that officers, whether on the full paylist or the half paylist, should be allowed to make reflections on their superiors as General Colville did. He was placed on retired pay, and any officer who follows his example will necessarily share the same fate.

Sir, it seems to me this is conclusive, and is the fullest justification that can be offered to the House of the painful course we had to take against so distinguished an officer as Lord Dundonald. I am free to say, even at this moment, after all the painful explanations we have had, after the indiscretions committed by Lord Dundonald, that for

my part I look back with extreme regret upon the lack of judgment which has impelled Lord Dundonald so far to forget himself, so far to forget his position, so far to forget what was due to him and to his command, as to take the course he did. But law must be maintained, law exists for everybody, military law as well as civil law; and military law ought to be observed above all others by the general who is at the head of the militia. Further upon this point I have no more to say.

Now I may be allowed perhaps to do what I very seldom do. I may be allowed to say a word about myself personally. Some days ago, speaking in this House, I made use of an expression which was not in my mind but which came to my lips. I corrected it immediately. The word which I had in my mind was the word 'stranger' but I used another word. Sir, in my experience of many years I have never heard it called in question until to-day that a man may not be allowed an opportunity to correct a slip of the tongue. I have heard slips of the tongue more than once, I have heard one to-day, I heard one yesterday, some gentlemen using the words 'Minister of Agriculture' when he wanted to say 'Minister of Militia,' another saying 'Minister of Militia' when he wanted to say 'Minister of Agriculture.' These mistakes will occur. A man may want to speak of the city of Toronto, and may say the city of Montreal. But according to the new code of ethics which I find on the other side of the House, no man is to be allowed to correct any slip of that kind. Sir, I bow to this new law—which I hope, however, will never be the law on this side of the House, a law which we will never apply to the other side. I bow to it, but I wish to say to these gentlemen on the other side of the House whom I see before me and who call me to account for having had the misfortune, nay, not the misfortune, but the mere accident of slip of the tongue. I say to them: Let he who is without sin cast the first stone. Sir, I have been told that my meaning was contemplated, was offensive and insulting. I have been in this House for many years, I have seen some of the veterans of former combats pass away, I have been engaged in combats with some of them, I have fought a good many hard struggles, but I am not conscious in all the years of my life, in all the struggles in which I have been engaged with gentlemen on the other side of the House, I am not conscious that I ever deliberately used an offensive word towards any man or towards any class. I never sought a fight, but I was never afraid of a fight. Whenever I had to fight, I think it will be admitted by friend and foe that I always fought with fair weapons. I have been told to-day on the floor of this House twice that when I used the word 'foreigner' there was in my heart a sinster motive, there was in my heart a feeling which found expression. Sir, I have only this to say. I disdain to make reply to such an insinuation. If sixty years of what I believe to be after all an honourable life, a life which has certainly been one of loyal devotion to British institutions, is not a sufficient answer to such an insinuation, I will not attempt to make an answer. I have been told in the press, not in this House, that the word which I substituted for the word I used, the word 'stranger' which I substituted, was just as offensive and insulting as the other. Well, Sir, I do not pretend to be a master of the English language, but I do claim, without I think undue boasting, to have some knowledge of it. When I saw in the press that the word 'stranger' which I had applied to Lord Dundonald was offensive and insulting, I must confess that I was surprised, and I proceeded to brush up my literature; I went to the sources, I went to the dictionary as the first source, I went to the latest dictionary, the Standard, to find the definition of the word 'stranger.' Like many other words in the English language, like many other words in the French language, like many other words in the Latin language, and probably in all the languages, this word has more than one signification. Here they are:

> Stranger. 1. One is not an acquaintance; a person unknown; as, I was accosted by a stranger.
>
> 2. One not a member of the household; a visitor; guest; as, children should not talk when strangers are at the table. 3. A person coming from another country or a distant region; a foreigner; also, a person coming from another place, though in the same country; as, he had the air of a stranger; a stranger in a strange land. 4. One unacquainted or unfamiliar with something specified; one not versed or experienced; one mentally or spiritually remote; with to; as, he is a stranger to learning and culture. 5. Law. Any person who is neither a party to a transaction nor privy to it.

The Standard Dictionary quotes General Grant, speaking of his appointment to the army of the Potomac in the spring of 1864, saying:

> I was a stranger to most of the army of the Potomac; I might say to all except the officers of the regular army who have served in the Mexican war.

Very few researches brought to me an abundance of precedents. In the 'Story of the Revolution' Henry Cabot Lodge, the author, speaking of a visit by Washington coming from Virginia to Massachusetts, says:

> The people were evidently with him. They looked upon him as he rode down the lines and were content. The popular movement had found its leader and the popular instinct recognized him. Yet, Washington came to the men of New England a 'stranger.'

But, I am accustomed to the loyalty of hon. gentleman on the other side of which

we have had such evidence to-day. Perhaps they will not accept these American writers. Let us come back then to British authors, and if there is an opinion which ought to be apposite in a matter of this kind, since I am told that I have insulted my fellow countrymen of the Scottish race, let me quote from Sir Walter Scott. We find in his book 'The Pirate' that, speaking of a Mr. Mertoum, an Englishman who was visiting the Shetland Islands, he says :

No one asked him whence he came, where he was going, what was his purpose in visiting so remote a corner of the empire, or what was likely to be the term of his stay. He arrived a perfect stranger, yet was instantly overpowered by a succession of invitations.

But, that is not all. Let us come nearer home. I have here in my hands the life of Lord Lawrence by Sir Richard Temple. In one of the chapters Sir Richard Temple speaks of the difficulties of every new viceroy sent from England to India. He says :

Usually a new Viceroy and Governor General is, on landing in India, really new in every sense. The European officers, the Native princes, chiefs and people, are strangers to him as he is personally unknown to them.

Here we are very near home when we are in another portion of the British empire, but let us come to Canada itself. There have been commanding officers of the militia before Lord Dundonald. There was one in 1875. His name was Sir Selby Smith. He wrote a report to the Minister of Militia of that day which is to be found in a blue-book of 1875 and here it is :

Headquarters, Ottawa,
January, 1875.

The Hon. the
Minister of Militia and Defence, &c., &c, &c.

Sir,—The Militia Reports which have been presented to parliament for several years past, have treated exhaustively the question of its organization and development.

It will therefore be my duty to confine myself to a few condensed remarks, as to the probable improvement of the Dominion forces.

I approach the subject with hesitation, having so recently arrived for the first time in Canada. I would hardly do so at all, but from the experience gained in my late journey through the provinces of Quebec and Ontario.

To Nova Scotia and New Brunswick I am still a stranger.

Now, Sir, it seems to me that my vindication ought to be complete, but I know that to-morrow and the day after to-morrow and every day and every week and every month, so long as there are some of those instincts which are now prevalent, in order to defeat a fair opponent, I shall be traduced before my fellow countrymen as having tried to malign and insult them.

Mr. SPROULE. Hear, hear.

Sir WILFRID LAURIER. Yes, there is an echo.

Some hon. MEMBERS. Shame, shame.

Sir WILFRID LAURIER. Let me say this to that hon. gentleman that I am familiar with these appeals to passion and prejudice. In my own province——

Mr. SPROULE. I want to tell the right hon. gentleman that I have never appealed to passion or prejudice——

Some hon. MEMBERS. Sit down.

Mr. SPROULE—to race or religion and I defy him or any man to say that I have done so, I do not care who he is.

Sir WILFRID LAURIER. In my own province the allies of the hon. gentleman, those who fight with him, have traduced me for years as a traitor to my race and religion. But, the cry is getting stale and a new one has to be invented. I have no more fear of this one than I had of the other. My experience has convinced me, my experience has proved to me that in this good land of Canada, in all sections thereof, in all classes thereof, in all races thereof, in all creeds thereof appeals to prejudice may create a flurry of excitement but they will invariably end in producing nothing but contempt in the hearts and minds of an intelligent and honest people.

Mr. T. CHASE CASGRAIN (Montmorency). The taunt has been thrown across the floor of the House several times by hon. gentlemen on the other side of the House that we have forsaken the cause of Lord Dundonald, that we have nothing to say in his defence. Let me say at the very outset of the few remarks which I am to offer to the House that Lord Dundonald needs no defence from me or from any member of this House especially from this side of the House. The name of Lord Dundonald to-day has become a household word in almost every house in the Dominion of Canada. His defence is in the mouth of every patriotic, loyal and unbiased citizen of this country. Sir, we are now in the times when our young men assemble in the camps, and I have no doubt that every evening around the camp fire the youth of this country are discussing this question and that there are very few if there are any at all of the members of the militia force so assembled in camp who have not the praises of Lord Dundonald on their lips. But, Sir, coming from the province of Quebec, not at all that I believe I represent the province of Quebec, but, I am sure I represent the vast majority of those from the province of Quebec who are members of the militia when I say that if Lord Dundonald's praise is in the mouth of everybody outside of the province of Quebec that same praise is in the mouths of those who form the portion of the militia in the province of Quebec. I have taken particular pains to question my fellow countrymen, not now, but

ever since Dundonald has had anything to do with the militia of Canada and the reply which I have received from the French Canadian officers has been that he has been the best commander in chief of the forces that they ever had.

Sir, he has always made himself especially agreeable to the French Canadian officers, speaking their language to them and showing them every mark of confidence and courtesy which one gentleman could show to another. I was struck by one part of the speech made by the right hon. gentleman, the lesson he read to the Minister of Militia and Defence. Last evening the Minister of Militia and Defence spoke of Lord Dundonald but did not at all speak in those terms which the right hon. the leader of the House has employed this evening. On the contrary I must say that I was pained at the tone used by the Minister of Militia, and I can see no better campaign literature for this party than to distribute all through Canada the speech made last night by the Minister of Militia. If I had anything to do with the organization of the party I would have that speech printed by the thousand and distributed all over the Dominion. What do we find ? We find the Minister of Militia constantly contrasting the nobleman, the patrician, with the humble colonial and the plebeian. It seems to me that it comes with very bad grace from the mouth of the Minister of Militia and Defence who not long ago, received the decoration of the Order of St. Michael and St. George, and wears upon his breast the star of that order, and is entitled to be called to-day 'Sir Frederick Borden.' I do not see why these sneers are cast upon the British aristocracy and especially upon Lord Dundonald because the Minister of Militia must have remembered that while it is true that Lord Dundonald was born a nobleman, he has also carved with his sword a great name upon the annals of the empire. Sir, I am an admirer of the British aristocracy. Whilst in other countries the scions of great houses seem to have forgotten the role they are called upon to play in the different vocations in which they should be engaged, in Great Britain, on the contrary, the heirs of the great names have remained faithful to the traditions of their race, and whether it be in peace or war, we find these great men taking their share either in defending the country in time of war or conducting its councils in time of peace.

Another insinuation which my hon. friend threw across the floor of the House against Lord Dundonald was that probably the action which he had seen fit to take when he made his speech at Montreal, knowing that in consequence of that speech he would probably have to separate himself from the militia of Canada was due to the fact that there was a scheme shortly to be placed before parliament by which the office of Commander in Chief was to be abolished. As if Lord Dundonald was to be influenced in any of his actions by the paltry salary of $4,000 which the country had been paying him for his valuable services ! Then again I was pained to hear the Minister of Militia making another insinuation and a more serious one against the noble lord the late General Officer Commanding, when he insinuated, speaking of the ordnance department, in the two cases of Lieutenant-Colonel Roy and Lieutenant-Colonel Bélanger, that probably it was on account of their nationality, of their being French Canadians, that he complained of their elevation to the rank of lieutenant-colonel. I think this was an unworthy insinuation, unworthy of my hon. friend and of the position which he occupies. My hon. friend growing eloquent just now, in speaking of arousing race prejudices, accused this side of the House of having done that. I would like to know what the Minister of Militia had in mind, and what the editors of the government organs have in mind, when they incite these animosities and say that one of the motives of Lord Dundonald in this case was that he made a difference between a French Canadian officer and an officer of another origin. It seems to me that the strong point of the government on which they have rested their case, was that Lord Dundonald was guilty of a gross breach of discipline in making the speech he did. These are the regulations of the British army which govern the British forces. The minister when he quoted these regulations was quoting something absolutely outside the case of Lord Dundonald. The regulation says :

> The regulations of the British army, which govern the Canadian force in all matters not specially provided for, prohibit 'deliberations or discussion by officers of soldiers with the object of conveying praise, censure, or any mark of approbation towards their superiors or any others in His Majesty's service.'
>
> The regulations for the militia of Canada lay down the rule that 'it cannot be permitted that (officers) shall bring accusations against superior officers or comrades.

What is meant here by 'superior officers?' Not the Minister of Militia, not any minister, but a superior officer in military command, because this word is certainly limited by the next words 'or comrades' which means comrades in arms, and I would like to know whether the Minister of Agriculture was the superior officer of Lord Dundonald on that occasion. Let me read this part of the Order in Council again.

> The regulation for the militia of Canada lay down the rule that 'it cannot be permitted that (officers) shall bring accusations against superior officers or comrades before the tribunal of public opinion, either by speech or letters inserted in any newspaper ; such a proceeding would be in glaring violation of the rules of military discipline, and in contempt of authority.'

If these are the rules which are to govern this case, is it not a fact that at every military banquet which the minister attends where officers laud the minister for what he has done for the militia, they should be summarily dismissed by this government? It shows that these regulations quoted in the Order in Council and again to-night, are absolutely beside the mark and have absolutely nothing to do with the case in point. They have to rest their case on this flimsy argument which cannot stand the light of the least examination for one minute. My hon. friend has tried to define the duties and obligations of the officer commanding from English authority. No hon. member on this side enunciated the extreme doctrine which my hon. friend tried to put in the mouths of hon. gentlemen on this side this afternoon that the General Officer Commanding was delegated here from the British government to represent the British government in matters military. Nobody on this side ever heard of such a doctrine. No newspaper or organ on this side ever promulgated such a proposition before the patient people of this country. The duties of the General Officer Commanding are laid down in the statute which my hon. friend quoted this evening. The statute says:

There shall be appointed an officer who holds the rank of colonel or rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia, and shall be paid at the rate of four thousand dollars per annum in full of all pay and allowances.

Now, Sir, the ground I take is this, that the General Officer Commanding is an expert adviser whom this government appoints in order to get advice on military matters which concern this country—upon the defence of the country, and upon all matters which relate to the organization and maintenance of the military force of the country. He is not to be here simply as a machine to follow the dictates of this one or that one. He must have some discretion. He is not, as I stated before, an employee of the government. He is a high officer of this government, with functions which have always been recognized, and are recognized to-day. I think Lord Dundonald had an absolutely correct idea of his duties when he said in his statement:

In all of my work I have endeavoured to keep steadily in view the nature of my post. I have not sought to impose my policy upon the minister or upon the cabinet. I have sought to carry out the plans approved by the government. In the technical administration of the force I held that I should be given a fairly free hand.

Not the control, as the Minister of Militia said last night, but simply a fairly free hand in the technical administration of the affairs of the militia.

At the same time I was careful to ascertain and consider the views of all persons interested. I claimed a smaller measure of freedom than is accorded to the general managers of important commercial companies. To make a railway pay it is necessary to leave detail matters of administration largely to the expert official in charge of the system. The managing of a military force is expert work, and the safety of the country is surely as important as the success of a railway. My claim for freedom extended only to the technical side of my work. I had no desire to force my policy upon the ministry.

Now, Sir, was any fact given in this House yesterday or to-day which shows that Lord Dundonald went beyond what he conceived to be his duty, and what was laid down as his duty in plain words? In this statement which he issued to the press there is not a tittle of evidence that he ever did anything which could be classed among acts of insubordination or disobedience to his minister, or which clashed with the authority of the head of his department. A good deal has been said yesterday and to-day with regard to the suppression of the second part of his report of 1902, and the minister's dealings with the report of 1902 and 1903. The leader of the House gave an altogether different reason for holding that those reports should not be published. He did not take the ground which the hon. Minister of Militia took last evening; but he went to a good deal of pains to quote authorities to show that those reports were confidential documents, and could not be laid on the table of the House except with the permission of the minister in charge of the department, in this case the Minister of Militia and Defence. He quoted from page 442 of Todd on 'Parliamentary Government in England.' I will not make the whole quotation again, but I will quote this much:

The system of laying upon the table of the House reports from officers addressed to particular departments of the executive government is most objectionable.' And the House ought not to insist 'upon the production of papers and correspondence which concerned the preparation and preliminary consideration of measures; they would thereby put a stop to that freedom of criticism which was always invited on such occasions, and which contributed so much to the perfection of public measures.'

Again my right hon. friend is beside the mark. These remarks do not at all apply to departmental reports in the sense that they are in the blue-books and are each year put upon the table of the House. You have only to refer to two pages before to see that these remarks refer to 'the practice in regard to the granting or withholding by the executive of information desired by either House of parliament.' When a mo-

tion is made in the House for the production of a document, the government on certain occasions is authorized and empowered to withhold the document on the ground that it may contain confidential or secret information, or information which it would not be in the interest of the public to lay before the House. This does not apply to reports which the minister is obliged each year to lay before the House. Why, the very Militia Act, which enacts that a commander-in-chief shall be appointed, contains the following in section 126 :—

All regulations made under this Act, and an annual report of the state of the militia, shall be laid before parliament by the Minister of Militia and Defence, within the first thirty days of the then next session thereof.

My right hon. friend says that even before this report could be handed to the minister, it should be asked ; but the statute says the contrary. I take the right hon. gentleman's word on a great many occasions as laying down the correct law, but when I find him in direct contradiction to the statute, I say he must be wrong. It was the bounden duty of the Minister of Militia and Defence, within the first thirty days of the session, to lay the report of the department before parliament ; and how is this report made up ? It is made up of the report of the General Officer Commanding and the heads of the different branches of the department, just as the report of any other department is made up. Therefore the argument of my right hon. friend falls to the ground. This is not the ground that the Minister of Militia took last evening. The ground he took was that this was a confidential, private or secret report ; and he said the same thing last session. He gave as his reasons for not producing the second part of the report of 1902 that it was a secret and confidential report. I say that argument is not correct. The report itself not only was not marked private, but by its very nature it was intended for pub lication. My hon. friend founded the principal argument he made upon the fact that the covering letter by which the report was sent to the minister was marked private, and he quoted this letter to show that the report itself must also have been private. Let me read some of these extracts again in order to show that the ground falls from under the feet of my right hon. friend. This is what the General Officer Commanding said :

Creichton Lodge,
Ottawa, Jan. 29, 1903.

'Private.'

Dear Sir Frederick,—I am sending you with this my report for the year 1902. I only received the last of the sub-reports to me last Saturday—there has been, as you are aware, a great deal of work involved, first in becoming acquainted with the system, then in discovering its weakness, then in suggesting remedies for improvement.

Exactly what the statute enacts that he should do. He is bound to describe the condition of the militia at the time he makes his report. He goes on to say :

I hope that the recommendations I make will commend themselves to you. I think they will, as from our conversations I believe we agree on many essential points. I don't think the country can obtain a cheaper or more efficient system for money expended than the one outlined if only you can see your way to get it adopted and the proper funds voted.

I am still confined to the house but hope to get out to-morrow and shall look forward to seeing you Monday at latest if convenient to you.

This letter was marked 'private' because it was intended for Sir Frederick Borden alone and not for his department. But to argue that because this letter was marked 'private,' the report itself was private and confidential is presuming rather much on the lack of intelligence of this House. My hon. friend the Minister of Militia last evening tried to make us believe, from reading these letters, that the general had consented to the suppression of part 2nd of his report. After stating his case, he said :

Now that is the record. Does that record bear out the statement which this right hon. gentleman has seen fit to make in this address of his to the people of Canada ?

Mr. CASGRAIN. Yes.

Sir FREDERICK BORDEN. Who says yes ?

Mr. CASGRAIN. I do.

I was bold enough to say that the record bore out the statement which Lord Dundonald had made in what my hon. friend calls his address to the people of Canada. Why, all through these letters, the general discusses the question of the publishing of his report. Here is a letter dated the 31st of January, from the Minister of Militia and Defence, in which he said :

Dear Lord Dundonald,—I have carefully read your very interesting and able report. I don't know whether you intend Part II to form part of the annual report of the Minister of Militia and Defence for this year (i.e. 1902), but I am afraid it would not do to put forward a scheme which has not yet been considered as a whole even by the minister and of which the other members of the cabinet have as yet had absolutely no opportunity of knowing anything. Besides, there is the very grave question of propriety of giving such a scheme to the world ; at any rate, in such detail. Furthermore, you are aware that a scheme was recommended by the Defence Committee of 1898, approved by the War Office and adopted by the Canadian government.

Then he goes on to say :

Then there is the financial question. It is absolutely necessary that I should have a carefully prepared estimate of the cost involved in your proposals before they can be considered by the government.

So that the House will see that what the Minister of Militia was trying to do was to

convince the General Officer Commanding that this report should not be published. He did not refuse to publish it, but he reasoned with the general and tried to convince him that it should not be made public. What does Lord Dundonald say ? He writes as follows :—

Dear Sir Frederick,—Yes, I will let you have the report with slight amendments as suggested almost at once. Will you let me have the part you have, and I will let you have the whole back again in a few hours ?

Again the Minister of Militia writes :

Dear Lord Dundonald,—I would like to again call attention to my letter of the 31st ultimo dealing with your annual report. After very careful consideration of the matter since that letter was written I am more than ever convinced of the correctness of the views therein expressed.

It is quite outside the province of an annual departmental report to propound a scheme or policy of defence and therefore I must ask you to be good enough to omit Part II (so called) from your report, and to amend Part I accordingly.

I shall be quite ready, however, to approve of the insertion in your annual report of a clause stating that you have prepared for my information a scheme which you think would (to use the words of the heading to part 2) 'conduce to the greater efficiency of the militia as a fighting force.'

May I ask, therefore, that the annual report be amended as above suggested, and placed in my hands to-day so that it may go to the printer.

Did Lord Dundonald acquiesce in the request made to him by the hon. minister ? Here is what he says on the 28th of February :

Dear Sir Frederick,—I return the report divided as you wish. There was a difficulty in getting that work done Saturday owing to the day being a half holiday.

From one end of these letters to the other, you will see the discussion going on, and not once did Lord Dundonald acquiesce in the request made to him that part 2nd of his report should be suppressed. I ask if the argument which my hon. friend the Minister of Militia based upon the word 'private' on the first letter can stand. Is it not a fact that this report was recognized by the minister as essentially a report for publication ? If not, why was part 1st published. It was published because the statute enacts that these reports must be given to parliament and part 1st went in the same envelope as part 2nd. My hon. friend, the Minister of Militia, states that this probably involved a great change and that it did not commend itself to his judgment. But a few days after, my hon. friend delivered a eulogy upon the General Officer Comanding, and I think it is only right that I should read it because it is the best praise that probably could be given Lord Dundonald under the circumstances, coming as it does from the man who last evening passed such strictures on his conduct :

We might congratulate ourselves in this country on having at the head of the military side of the Militia Department a gentleman who understood the importance of all he (Sir Frederick) had said. (Cheers.) He was not only a great warrior, as he had proved in a dozen battles—(cheers)—but he was a man of sound sense and judgment.

And this was after he had given in his part 2nd of his report of 1902. He was still a man of sound sense and judgment according to the Minister of Militia :

Who was here for the purpose not of self-aggrandizement, not of playing to the gallery and having his name and praises sounded on every possible opportunity, but of developing the material he found into one of the best fighting forces on the earth.

I cannot understand how it is that after passing this eulogy on the General Officer Comanding, my hon. friend can come to the House and describe the general as a man absolutely inferior and not at all fit for the high position to which he had been called. What is the reason the report of 1903 was mutilated ? Here is the most extraordinary reason given for doing this which I have ever heard a minister give in this House. It is to be found on column 5441 of the revised 'Hansard :'

I did not object to the report so much as I objected to the publication of certain portions, and I wished him to amend it, and he, as I supposed, agreed to do so. Some of the objections which I made to it were that it referred to documents which had not been brought down to parliament, which there was no intention to bring to parliament. I informed him that the moment that report was laid on the table of the House, the members of the House would have the right to ask for the documents ; and, as we did not wish to bring the documents down, I did not wish these references put in the report.

It seems to me that this is a most extraordinary reason for the correcting or the mutilating of the report of 1903. I am not at all in favour of militarism or a standing army, but it seems to me that if we are to spend $2,000,000 a year on our militia, we ought to get some return in the shape of an efficient force and not have, as the hon. member for Haldimand (Mr. Thompson) described it last year, the shadow of a skeleton. The General Officer Commanding is an officer of the Militia Department. It was he who made this report, and I can quite understand that if it contained disclosures upon the condition of the defences of this country, which should be considered confidential, there might have been some reason for suppressing it. But this has not been alleged ; and the only reason given by my hon. friend last night was that it contained a new scheme for the defence of Canada. Sir, I do not wish to establish the people of this country as judge between the General

Officer Commanding and the Minister of Militia; but if there is nothing detrimental to the best interest of the country contained in that report the people who pay the General Officer Commanding, and who have the interest in the militia, have the right to see part 2 of the report of 1902, so as to be able to judge whether or not this parliament should vote more money, or less money, or make some change in the plans or system of the militia.

I shall not go over all the arrangements in the debate but let me come to the more contentious part of the amendment. My hon. friend from Compton (Mr. Pope) alluded to a coincidence which I had intended to speak of. We know that in the latter part of 1903, there was a hotly contested election in the county of Brome for one of the seats in the legislature of Quebec. In the selection of a candidate, and in the carrying on of the campaign, the Minister of Agriculture took a prominent part. And when the treasurer of the province of Quebec was elected as member for Brome, his election was contested before the courts, and as stated by my hon. friend from Compton, the petition protesting the election was signed by the firm of Baker and Baker, which firm is composed of Senator Baker and his son. And in this petition the House will remark, the Minister of Agriculture was accused of illegal practices under the Election Act of Quebec. If this protest had gone to the courts, and if the facts had been proved, the hon, gentleman (Mr. Fisher) stood to be disqualified for any office in the province of Quebec and subject also to a heavy penalty. The case was so serious that, at the last session of the legislature of Quebec, a special Bill was introduced to relieve these gentlemen from the penalties to which they had subjected themselves by their conduct in that election. I am glad to say, for the honour of the province of Quebec and the dignity of its legislature that the Bill failed to pass. Still the effort was made. On whose behalf was it made? On behalf of the gentleman who had taken an active and illegal part in the election in Brome. The case was serious, and, of course, the men who had signed this petition were open to the vengeance of my right hon. friend the Minister of Agriculture. A little while afterwards the organization of this regiment in the eastern townships was undertaken. And what does my hon. friend say?

> I must premise my explanation in regard to this matter by saying that Senator Baker, of Sweetsburg, is the acknowledged and active leader of the Conservatives of that district.

And the hon. gentleman should have added, 'and he signed a petition asking for my disqualification.'

> I found this list of proposed names for the staff for the neighbourhood of Sweetsburg. First, Mr. John M. Gibson, a nephew of Senator Baker, and talked of as a possible Conservative candidate in the constituency of Missisquoi, to be third in command of that regiment. Dr. Pickel, one of the strongest Conservative workers of the neighbourhood and a family connection of Senator Baker, to be major in command of the squadron which, though gazetted for Adamsville, was to be changed to Sweetsburg to suit his convenience. Mr. G. H. Baker, son of Senator Baker, to be senior captain of the said squadron. Mr. Thomas R. Pickel, son-in-law of Senator Baker to be the junior captain of the said squadron. Then, there were the names of two gentlemen, Messrs. Steacie and Reynolds, of Montreal, to be lieutenants.

So, while this petition was before the courts this terrible Baker family was known for its loyalty throughout the eastern townships and was ready to wear the uniform of His Majesty and fight the battles of his country; and immediately my hon. friend said: I will not have this, especially, I will not have Dr. Pickel, who is a son-in-law of Dr. Pickel—he must go or there will be no organization of this squadron in the eastern townships. Now, what is the statement made by Colonel Smart? Let me read from the documents that have been laid before the House:

> Dr. Pickel is a man of means, can ride fairly well, and was quite willing to take the necessary time to qualify himself for the position of major. Mr. Fisher objected to him for no other reason than that he was a strong political opponent of his and was quite determined to block the whole organization, unless Dr. Pickel's name was withdrawn.

I do not know Colonel Smart, and am not aware whether he is a Conservative or Liberal; but I must say that if he were a prominent Conservative, I would probably have heard of him and would have noted him before this. But I find him a man not afraid to give the exact version of what took place when he met the Minister of Agriculture. He says that Dr. Pickel was not then qualified, but he was a man of means, able to ride and ready to make the sacrifice of the time necessary to qualify himself for the position he was to hold in the regiment. But he was allied with the House of Baker, and the name of Baker was signed to a petition which contested the election of Brome. So, Dr. Pickel was to go, and, if not out, this regiment was not to be organized and the eastern townships would have to do without it. Is this statement of Colonel Smart controverted in this House? What does my hon. friend the Minister of Militia say? I quote from page 26 of the correspondence, a letter from the Minister of Agriculture to Colonel Whitley dated, Ottawa, 20th of May:

> I think you will appreciate that I have not asked nearly as much as impetuous friends in the county expected, but I think that what I have asked has been entirely reasonable.

Who were the 'impetuous friends'? Were they 'impetuous' in getting up this military organization. No. They were 'impetuous' political friends of my hon. friend the Minister of Agriculture. This shows that the hon. Minister of Agriculture was taking counsel in the county not from those who were trying to get up the organization of a regiment of cavalry, but from those who were trying to foist upon the regiment men whom they thought it desirable to appoint to the positions in it. And the Minister of Agriculture says that he has not got so much as his 'impetuous' friends asked for, but that he had got a good deal. He confesses judgment—he says that he has tried his best to get all that his friends demanded, that he has got a good deal and that they must be satisfied. And what does Colonel Whitley say at page 27 of the same report? This was read by my hon. friend from Compton, (Mr. Pope) but it will bear repetition:

I think I told you, in Ottawa, my views re the drinking question. I dread an intemperate officer; they are useless, indeed of great harm wherever they appear, and, candidly, I would prefer political opponents to such.

The worst man would be an intemperate officer, but the next would be a political opponent. All through this correspondence, it is plain to be seen that the object these hon. gentlemen had was not to keep this regiment from being made a Tory preserve, but to make it a Liberal preserve. And what does Mr. Brenham say—page 29?

Now, if you do not get any applications from any of our fellows, rather than see it go to those fellows in Sweetsburg, I would take a commission and do the best I could, so will leave the matter in your hands and will be satisfied with the results.

Sir, these gentlemen were trying to get their 'fellows' into the regiment. Who were their 'fellows'? Their political friends. And they were trying to exclude as far as possible any member of the Baker family, exclude as far as common decency would permit, any Conservatives from the regiment and were trying to get their 'fellows' in if possible. Now, let me read further on from this same page, 29, a letter from the Minister of Agriculture to a Mr. Clinton:

He and Mr. Parmelee and I have been discussing matters here at length, and Mr. Parmelee and I are satisfied that he is honestly desirous of remedying these mistakes and doing anything he can to meet our views.

Here is Mr. Parmelee brought in now. For what purpose? Is Mr. Parmelee a military expert? Does he know anything about the requirements of the militia? Does he know anything about the military qualifications of these gentlemen? If he was consulted, he must have been consulted merely as to the political qualifications of 'our fellows' in the different places in which this regiment was being recruited.

It is impossible, however, to make all the changes that our friends would like.

'Our friends would like.' It was purely from a political standpoint and no other that these appointments were being made.

The most important ones, have, however, been made. Dr. Pickel is not to be given command of the squadron, and Tom. Pickel is to be made lieutenant instead of captain.

When they could not put him out they reduced him in rank.

Clifton Miltimore is to be given a captaincy. We have adopted the plan that men without any military experience as a rule should start as lieutenants. The squadron which was named for Adamsville is to be changed to Cowansville, not Sweetsburg.

No, they would not go into that Tory town of Sweetsburg, but they would go somewhere else—always the political motive at the foundation of everything in the organization of this regiment.

The squadron which was named for Mansonvile is to be changed to Knowlton.

Many hon. gentlemen may not know that Mansonville in the county of Brome is the place in which Mr. Manson resides, and that Mr. Manson was an opponent of Mr. McCorkill in the local fight of which I have just spoken. Of course they had to take the squadron out of Mansonville so that it would not be contaminated by Mr. Manson or any of those bad Tories, and put it in Knowlton which was not such a Tory locality as Mansonville. But is it not a fact that far from being disproved, the statement of Colonel Smart was carried out by all the letters which have been written by my hon. friend, and my hon. friend has stated before this House time and again that he was determined that this regiment would not be a Tory preserve. Here again we see that the political hand of my hon. friend was busy in meddling in this matter and in trying to keep as many Conservatives out as he could.

Now what are the consequences of all this? The consequences of this intermeddling will have a deterrent effect upon the minds of those who want to join the militia of this country. When men of means, capable of joining the militia force would like to do so, they will be deterred by the knowledge that if they are Conservatives they will have no advancement and no promotion, that they will be kept out of positions, and that they will get scant justice and even scant courtesy from the hands of hon. gentlemen opposite.

Now this country has to choose between the Minister of Agriculture and Lord Dundonald. My right hon. friend the leader of the House this evening said that he could

not agreee with the last paragraph of the resolution moved by my hon. friend the leader of the opposition. He went further, and he said that this last paragraph is not borne out by the facts laid before the House. Sir, it is true that Lord Dundonald, in his statement to the press, has given other instances of meddling and interference by the Minister of Agriculture. But what came to pass? This came to pass, that 'the last straw which broke the camel's back' as the hon. gentleman said last night, was the meddling of my hon. friend in the organization of this squadron in the eastern townships. It was his meddling and interference, when he had no right to do it, because he was interfering from purely political motives, and this is what Lord Dundonald resented. Now we see that the action of the hon. gentleman has culminated in the retirement of Lord Dundonald, in the dismissal of Lord Dundonald, in his being sent away from this country under a cloud, as it were, having his services dispensed with by this government. The country will have to choose between Lord Dundonald and the Minister of Agriculture. I never knew before that my hon. friend was so great an adept in military matters, and I am forcibly reminded of one of the letters of Mr. Dooley entitled 'In peace and in war.' Hon. gentlemen who have read this remarkable book will remember probably that the President of the United States is recruiting some officers to send them to the war, in Cuba against the Spanish, and one man comes up and the president said: 'What kind of pyjamas do you wear'? 'Silk pyjamas.' 'Well,' said the president, 'I will make a brigadier general of you.' Sir, I must apologize for having mentioned before this distinguished audience these unmentionables, and I must also apologize for having called to the mind of my listeners the spectacle of the Minister of Agriculture arrayed in his somewhat unmartial rig. Now this is the question before the House. The country will be called upon to decide, in a short time I hope, between the Minister of Agriculture and Lord Dundonald. We have put the case before the country. The people know the merits of the question, and I have no doubt that when the time comes to decide, Lord Dundonald will emerge from the discussion what he is now, and what he was when he came to this country, a most useful and experienced soldier, whose reputation the Minister of Agriculture has only endanced in the hearts and minds of every fair minded citizen of Canada.

Mr. ANDREW B. INGRAM (East Elgin). Though the hour is late I shall not apologize for taking up a few minutes in discussing this question. I shall try to make my remarks free from any partisan bias whatever, and aside from any political opinions I may hold. I have for years in this House taken some interest in military matters, not that I am a military man, but observing from session to session that though we have a membership in this House of 214, whenever a question came up affecting the militia of Canada, the discussion was conducted by but very few members. So I felt it my duty in my own humble way to take some part in the discussion of military questions when they came before this House, because the greater part of the members did not do so. Since I have been a member of this House I have noticed a vast difference in the military feeling among the members. A good many years ago when the Minister of Militia asked for a reasonable amount to promote the militia he received very little assistance in passing his estimates, although they were niggardly in amount. During the Conservative regime I always understood, at all events, I never noticed that any partisan feeling governed the action of the Militia Department in those days.

I would like to believe to-day that no political feeling is engendered by the hon. Minister of Militia and Defence in the administration of his department. I would like to believe that and on that line I am going to proceed with my argument though my remarks will be brief and to the point. It has been said in this discussion and said repeatedly by the hon. Minister of Agriculture that he had no desire to introduce party politics into the militia of this country, that what he did he did in the interest of the militia and that was his sole object and aim. I would like to believe that statement in the interest of the militia, but I do not think the hon. gentleman will pretend to believe that his conduct in this matter was purely non-partisan. His language has been such as to lead me to believe that his conduct was rather partisan, But, the point at issue in this case is simply this: The commander of the forces of Canada, by reason of certain interference, has, in a speech at Montreal, stated that the act of the hon. Minister of Agriculture was the last straw that broke the camel's back and that by reason of that act the commander of the forces was forced to speak out at the banquet in Montreal. Now, Sir, I am not going to enter into a discussion as to whether he was acting improperly in doing that. I am not going to enter into a discussion as to whether the government are justified in dismissing him. That is not the point I am going to discuss. I have always been led to believe in this House that the military forces of this or any other country, I care not where it is, are the most successful that observe strict discipline. I have recognized that there is a head of the militia force. I have recognized that the Minister of Militia is the head of the militia force of this country and that next to him is the commander of the forces. I have looked over the report of the Department of Mili-

tia and Defence which was laid on the table of the House this session and I find that, notwithstanding the quotations of rules and regulations read by the right hon. Prime Minister and by my hon. friend from Montmorency to-night, this report states that :

The present organization of the department, so far as the branches under the control, or supervision, of the General Officer Commanding are concerned, is outlined in a Minute of Council, dated October 29, 1903, which was promulgated as General Order 159, 1903, as follows :

DISTRIBUTION OF DUTIES.

The General Officer Commanding.

1. The General Officer Commanding shall be charged with the military command and discipline of the militia, shall issue General Orders and hold periodical inspection of the militia.

He shall be the principal adviser of the Minister of Militia and Defence on all military questions and shall be charged with the control of the branches of the Adjutant General, the Director General of Military Intelligence and Military Secretary, and the general supervision of the other military branches.

He shall be charged with the general distribution and localization of the militia, and with the selection and proposal to the Minister of Militia and Defence of fit and proper persons to be recommended for commissions in the militia, of fit and proper officers for promotions, for staff and other military appointments, and for military honours and rewards.

Then this goes on to state the duties of the respective branches. It refers to the adjutant's general's branch, the intelligence branch, the military secretary's branch, the quartermaster general's branch, the engineer service branch, the ordnance branch and the medical services branch. It concludes:

All orders or regulations inconsistent with this Order in Council are hereby cancelled.

These are the duties of the various officers whose work is subject to the approval of the commanding officer, who, after he has approved of any matters affecting the forces, submits them to the minister for his approval. In this report I do not see that the hon. Minister of Agriculture has any duties to perform in connection with the militia, and I am giving to the hon. minister of Agriculture the same rights as the hon. Minister of Finance or any other cabinet minister has and what are they ? They are that when the hon. Minister of Militia and Defence takes his report to Council and these gentlemen sit around the council board, whenever that document is placed before them for their consideration, they are quite within their rights and they are doing their duty as I understand it when they undertake to discuss that document. We have heard a great deal about etiquette in the city of Ottawa. I take it when the commander of the forces referred to etiquette in the city of Ottawa he meant that the hon. Minister of Agriculture, without consulting the head of his department, without consulting the commander of the forces had undertaken to write to certain officers in the eastern townships asking them to accept commissions in the force in which it was no part of his duty, but interfering with the duties of the hon. Minister of Militia and Defence and the Officer Commanding the forces of this country, thus committing a breach of military etiquette. It does not require a military man to go down to the camp which is now being held at Rockliffe to discover that a corporal is jealous of his authority and of his rights, that a lieutenant, a captain, a major, or a colonel is jealous of his authority and stands on his dignity in exercising his authority. So it is with the General Officer Commanding the forces. The hon. Minister of Agriculture stated that when the officer commanding the forces telephoned to him and asked him to make some arrangement by which he could discuss this question with him, he gave him to understand that he had an office down town and that if there was anything he desired to consult him about he knew where to find his office. I would have thought that if Lord Dundonald or the hon. Minister of Militia and Defence desired to consult the hon. Minister of Agriculture on matters affecting agriculture the least the hon. Minister of Militia and Defence or the commander of the forces could do would be to go to the office of the hon. Minister of Agriculture, but when the hon. Minister of Agriculture was asked to discuss some matters in which he was interfering and for that purpose to come to the office of the hon. Minister of Militia and Defence it would not have been undignified on the part of the hon. Minister of Agriculture to have done so, and it certainly would have been more in line with the discipline of the militia of this country. He was dealing with a question affecting the militia of Canada in a department with which he had nothing to do other than any other Minister of the Crown has occasionally to deal with certain matters coming before the Privy Council of which he is a member. I do not deny him the right to deal with these matters at the Privy Council but the hon. Minister of Agriculture had a right to go and consult the hon. Minister of Militia and Defence and the commander of the forces, if he felt disposed to do so. I want to say that if this hon. gentleman had shown a disposition to make matters easy for the commander of the forces, if he had not desired to create dissensions amongst military men or put obstacles in the way of the commander of the forces, if his sole desire was to promote the welfare of the militia in the eastern townships the least he could have done would have been to have gone to the Department of Militia and Defence and there to have sat quietly down and dis-

cussed this matter with the commander of the forces. I am sure that Lord Dundonald would have quietly sat down with him and discussed this matter and that if he had suggested anything that Lord Dundonald deemed to be in the interest of the militia or in the interest of that portion of the force in the eastern townships he would have been only too glad to have accepted the suggestion.

That in my judgment would have been a proper course to pursue. A good deal has been said about Lord Dundonald in this House. I have watched closely and read extensively of the career of that gentleman in South Africa and it struck me that the language used was not justified by his career. The language was harsh and in my judgment uncalled for. Lord Dundonald is human like the rest of us, and he may have his faults. I heard the Prime Minister say let 'him who is without sin cast the first stone.' If he had erred in this case, I suppose he must suffer to the extent of his error, but whatever his error might have been I am quite within the mark when I say that his hearty wholesouled desire was for the welfare of the militia of this country and not for his own advancement. No man will charge him with being a political partisan. He has had a great deal of experience as an officer for many years, and now after one year in Canada we are told that he is unfit to command the militia of Canada.

We have heard a good deal about his report. Last year when the report of the Militia Department was laid on the table—and I take sufficient interest in the militia to read carefully every word submitted by that department for consideration—I discovered that there was a second report not published, and like two or three other members on this side—who take a lively interest in military matters, I was eager to know the contents of that report, because it occurred to me if we have an officer as capable as Lord Dundonald, capable enough to be sent by the British authorities to Canada, to take charge of our militia, any suggestions that he might have to offer to the people would be worthy of perusal and of consideration, and of examination in order to see whether the suggestions offered were such as the people of this country ought to adopt. I have here a report that was placed before the Privy Council, a document with the 13th Dragoons struck out on the 14th of May. That was done while it was before council. Why ? On account of certain interference by the Minister of Agriculture, certain objections he raised to certain persons on the list, in connection with the military organization in the eastern townships. Again on the 19th of May, the Minister of Agriculture struck out the name of Dr. Pickel, in the name of the Minister of Militia. If the Minister of Agriculture was requested to act in the place of the Minister of Militia on that particular occasion, the 19th instant, and if he on that morning had received a document from Colonel Smart to the effect that he wanted the name of Mr. Pickel struck out I would go so far as to say the Minister of Agriculture acting on behalf of the Minister of Militia, had a perfect right to strike it out, but when I go that far I call the attention to the fact, that he interfered previous to that, and had written letters in order to block Mr. Pickel in this matter when he was not acting as Minister of Militia. There is where the sin and the partisanship on the part of the Minister of Agriculture came in. He was not acting as the Minister of Militia, but was acting the part of a partisan. I would like to draw attention to a little matter in my own experience some few years ago and from this experience and the debate which is drawing to a close, I am bound to say that if the people of this country make a change from an officer who comes to this country from England and place the militia in the hands of a Canadian officer, we will have many instances of this kind occurring. On Wednesday, November 7th, 1900, we had a general election. In 1900 we had an estimate brought down in this House for a grant for an armoury, in the city of St. Thomas, of $8,000. The ground was bought on May 21, 1900. In 1901 we had placed in the estimates $24,000 in one case and $7,000 in another, a total in all of $39,000 for a drill hall and armoury in St. Thomas. The election took place on the 7th of November, but no contract was let, and no money was voted beyond the $8,000, but on November 3rd, four days previous to the general election although no contract had been let, the Minister of Public Works came to St. Thomas brought several soldiers there, and the Minister of Public Works went down and turned the first sod of an armoury for the building of which not one dollar had been voted by parliament. I think that comment is unnecessary; I shall simply place that on record and leave the House to judge whether there has been any partisan interference in this department. Last session I heard a gentleman make one of the best military speeches I have heard in this House for many years, a gentleman trusted by this government who filled a very important position in London, during the Jubillee. I refer to the hon. member for Haldimand (Mr. Thompson). I am bound to say that he spoke without any partisan feeling. His remarks were approved by members on both sides. After the hundreds of thousands of dollars which we had expended in this country for the purpose of promoting the welfare of the militia the hon. member for Haldimand (Mr. A. T. Thompson) rose and among other things said :

I have shown that we were called upon to furnish the skeleton of a skeleton. I now state that we have actually turned out the shadow of a skeleton of a skeleton. Can anything so

ghost-like be longer called a militia force? . . . . I know the case of one company which this year had two officers and six non-commissioned officers to command two men, one of whom was the cook.

This is a statement made not by any partisan on this side, but by a government supporter in a non-partisan spirit. And in view of the fact of our having some 4,000 miles of boundary line, between this country and the United States, it is not too much to say that Lord Dundonald's remarks were quite justified, when he said that we are living in a fools paradise.

So we are; there is no question about it. If anything should occur between the United States and Canada, which God forbid, should we not in time of peace prepare for war? The very fact that we are preparing for war is the reason we shall have peace maintained in the country. If the recommendations of the General Officer Commanding are not to be considered, what is the use of having a man of that character come to this country? It is simply a waste of time and a waste of money. When this report is kept from the people of this country we are not in a position to judge of it. Some hon. gentlemen say, why should we be allowed to consider it? If hon. gentlemen will take the pains to go into the library and turn up the militia reports submitted to this House from year to year, they will find that certain recommendations are made in all those reports by the General Officer Commanding, the deputy minister and other officers, which are not carried out. Some are carried out and some are not carried out. In view of that fact, is there any harm in the commander of the forces having his suggestions embodied in the report? If parliament does not feel disposed to adopt any of them, well and good. The majority in parliament have that power. I think this unfortunate occurrence is greatly to be regretted, and nobody will regret it more than the militia of this country.

I am called on to-night to cast a vote for the amendment moved by the hon. leader of the opposition. I have heard that amendment criticised. I have heard the question asked, why have you not moved a resolution condemning the government for dismissing Lord Dundonald? I suppose that when Lord Dundonald made his statement in Montreal, he knew what he was doing. I presume that in making that statement, he felt that the breach would be made so wide between the government and himself that it would be utterly impossible for him to remain in the service any longer. Therefore it is not for the leader of the opposition to move in respect to that. What has he moved? That:—

> The selection and appointment of officers in the militia should be made without regard to party political considerations which if permitted to exercise an influence will prove disastrous to the efficiency of the force.

Mr. INGRAM.

I am glad to support that part of this amendment.

> That while the Minister of Militia is charged with and responsible for the administration of militia affairs the General Officer Commanding is by law charged under the orders of His Majesty with the military command and discipline of the militia and with the duty of recommending to the Minister of Militia fit and proper persons for appointment to commissions therein.

Surely there can be no objection to that, because, if we are to believe the Minister of Agriculture, that is exactly his idea, though I am sorry to say that he has departed from it. Then we have this important part:

> That the conduct of the Honourable Sydney Fisher, Minister of Agriculture, in interfering with the commanding officer of the Thirteenth Scottish Light Dragoons while that officer was engaged in the duty of selecting his subordinate officers for the approval of and for recommendation by the General Officer Commanding; and the action of that minister in interposing party political influence between the General Officer Commanding and his officers and in requiring recommendations and appointments to be made or disallowed from party considerations, deserves and should receive the censure of this House.

I can support that because the hon. gentleman (Mr. Fisher) has himself admitted that he acted in a partisan manner in the formation of this corps in the eastern townships. Then, finally:

> The House regrets that this unwarrantable interference has been approved by the government, and that it not only has unduly delayed the organization of the regiment, but has culminated in depriving the militia of Canada of an experienced and distinguished commanding officer.

Sir, I regret the latter portion of this amendment exceedingly, in view of the treatment meted out to that distinguished gentleman by the Minister of Agriculture, who had no more right to interfere with the selection of those officers and with Colonel Smart, even in a non-partisan sense, than I or any other member of this House had. When he interfered without consulting the head of the Militia Department or the commander of the forces, he acted as this amendment says, in a partisan spirit, and in a way that cannot be justified by any one who has the welfare of the militia of this country at heart.

Mr. E. HACKETT (West Prince). Mr. Speaker, before you put the question, I would like to ask the hon. Minister of Agriculture, who it appears is the Minister of Militia, has any trouble arisen in Prince Edward Island with regard to the militia camps?

Mr. FISHER. I cannot give the hon. gentleman any answer.

the government or to the head of any department by subordinates, unless they relate to mere questions of fact and routine and the every day transactions of the department—that all reports in which are implied questions of policy—are from their very nature confidential, and remain confidential until in the judgment of the minister they become the contrary. This is a broad statement to make, perhaps, but I make it on authority. I have already quoted Todd, who is acknowledged to be the best writer on this subject. Let me call the attention of hon. gentlemen to what he says on this point:

The system of laying upon the table of the House reports from officers addressed to particular departments of the executive government is most objectionable. And the House ought not to insist 'upon the production of papers and correspondence which concerned the preparation and preliminary consideration of measures; they would thereby put a stop to that freedom of criticism which was always invited on such occasions, and which contributed so much to the perfection of public measures.' If the House were to insist upon the production of such documents, instead of the government getting what we get now, confidential reports, containing the most minute details of the opinion of officers, given frankly and freely, for the heads of departments, we shall have a system of reports framed for laying upon the table of the House of Commons, and those will be accompanied by 'confidential reports for the head of the department alone.' There have been cases in which reports of a confidential character from officers of the government have been laid upon the table of the House, to prepare the public mind, and also that of parliament, to consent to some large measure, or perhaps some considerable vote of public money; but, generally I think it is a course which the House ought not to sanction.'

Mr. CASGRAIN. Will the right hon. gentleman say whether that is Todd in Canada?

Sir WILRID LAURIER. No, that is Todd in England. That is not simply the opinion of Todd. It is a series of quotations from speeches delivered in parliament by the great leaders who have brought the law of parliament from time to time up to its present perfection. The last quotation of all is from Mr. Disraeli, who says:

There have been cases in which reports of a confidential character from officers of the government have been laid upon the table of the House to prepare the public mind, and also that of parliament, to consent to some large measure, or perhaps some considerable vote of public money.

This would have been the case here. The report of Lord Dundonald, I understand, would have been a preparation for a large expenditure of public money; but Mr. Disraeli said:

But generally I think it is a course which the House ought not to sanction.

There is implied in this that such a report might be brought down at some time; but this is a matter of governmental responsibility, on which parliament is to depend, unless there is a vote of censure. But the minister is absolutely free to follow his own opinion in this respect, and not to follow the dictum of the gentleman who is appointed as his adviser.

I may be told that this is antiquated law. Well, there is something more recent than that, which I now give to the House. I have stated that though the question of supremacy as between the military and the civil power in England has been settled more than a hundred years ago, and settled in favour of the civil power, still every now and then there is an attempt made to revive the old rule and to bring back the military power in control. Not later than two years ago, there was at the head of the army in Great Britain a gentleman who has left a record dear to the hearts of Canadians—Lord Wolseley. He was the Commander in Chief; and strange to say—or perhaps I should say, natural to say—even such a soldier as Lord Wolseley, a man acknowledged to be prudent in his course and in his views, had a difference of opinion with the Secretary of State for war. He offered advice to the Secretary of State for War, and the Secretary of State for War, like my hon. friend the Minister of Militia, would not follow that advice. Then Lord Wolseley did what I think Lord Dundonald, if he had been better advised, should have done also: he placed his resignation in the hands of the government. If Lord Dundonald had followed that course—and he says he had the idea in his mind—if, instead of taking the violent, the extreme, the unpardonable course of committing a breach of discipline, he had resigned, and placed his resignation on paper, he could have brought before parliament everything he wanted to bring. It could not have been pigeon-holed, as he suggested, but it would have been brought before the House, and the House could have judged of it. Lord Wolseley took the better course of resigning, and some time afterwards on the floor of the House of Lords, he gave expression to his views. On the 4th March, 1901, he addressed the House of Lords and criticised the administration of the War Office, and the nature of the relationship between the Commander in Chief and Secretary of State for War. Lord Lansdowne, who was the Secretary of State for Foreign Affairs, replied in the House of Lords, and made use of the following language, which will be found in the Parliamentary Debates, 4th series, Vol. 90, page 356:—

In another part of the statement of the noble Viscount, he told the House that he thought it was extremely necessary in the interests of public safety, that when the Commander in Chief and the Secretary of State for war were unable to agree, the public should be taken

into our confidence, and that we should leave the public, as it were, to choose between the two.

I am afraid that that is somewhat a council of perfection. Does the noble and gallant Viscount think that the government of this country would be possible, that the administration of the War Office would be practicable, if, whenever the Secretary of State and the Commander-in-Chief were not at one, their arguments were to be publicly paraded and to form the subject of controversies in the press or on the platform. I cannot conceive a more fatal arrangement, than that there should be disputes of this kind in the eye of the public. The noble and gallant Viscount is a great supporter of a very popular institution called the Military Tournament. I should be very sorry if the Secretary of State were obliged to take part in a military tournament of the kind which the noble and gallant Viscount suggests.

Now I pause and ask the attention of hon. gentlemen opposite : Is not the language of Lord Lansdowne applicable, in every particular to the case we have in hand ? If you substitute for Lord Wolseley, Lord Dundonald, and for the Secretary of State for War, the Canadian Minister of Militia, you have our case in every particular. The following day the debate was participated in by Lord Salisbury, and I commend the language of Lord Salisbury as that of one who has always been noted for his Conservative tendencies and strong, rugged common-sense. This is what he said :

It is said of a certain class of correspondent that the important observation always comes at the end. I think that applies to the speech of the noble and gallant Viscount. He told us, not as one of the main points on which he was insisting, but as something which occurred to him at the end, and which ought to be mentioned before he sat down, what was his solution of any difficulties that might arise if the Commander-in-Chief and the Secretary of State were not of the same mind. I think he puzzled the House. He said we were to take the people into our confidence, and to tell the press what we thought, and then the question at issue was to be discussed openly. How you were to decide which party was to be victorious, I do not know, but the result of the battle royal was to determine the particular decision on which the office was divided. I allude to this because I think it is a matter which is really at the bottom of our difficulty. I do not think the disputants, especially if they are military disputants, have entirely realized that the army is under parliament and that the minister who controls the army does it as one who is responsible to parliament and represents all the authority which parliament possesses. Unless you keep that steadily in mind, no doubt you will see many anomalies in our military system, and its relations to the civil power. But it is no use comparing our army with the army of France or of America, or of Germany or of Russia. They all differ in that one point, that the parliamentary system of governing the army does not exist among them. We must accommodate ourselves to the present state of things. Everybody knows historically how it has grown up, and everybody knows that it is intertwined too closely with all the fibres of our constitution to justify any one who forms his projects and bases his reasoning on the supposition that this relation can be modified. At the end we must have an army governed by parliament, governed by a minister who is responsible to parliament, and in any difference of opinion, whatever it may be, the Commander in Chief must be a subordinate of the Secretary of State.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER (reading)—

Military men may not like that, but there it is. It is one of the bed rock circumstances of the situation, something from which you cannot depart ; and you must devote your hands to making it work and it has worked in the main hitherto very well.

Yes, I think it has worked very well in England.

And take care that it produces in the future, as it has produced in the past, results which it would have been impossible to produce in any foreign country. I feel that this debate will be lost upon us unless we take care to guide ourselves by that chief and predominant principle. In speech after speech from military men, men who know the language and spirit of the War Office, it is easy to detect a desire that military problems shall only be solved by military men ; but any attempt to take the opinion of the expert above the opinion of the politician must, in view of all the circumstances of our constitution, inevitably fail. It must not be supposed that in such contests the expert must win. In all these discussions there is an evident and growing desire to shake free of this necessity. I thought I traced it even in the peroration of the noble Earl, although I am sure he is too good and constitutional a statesman to entertain any idea that the existing system can be radically changed. That is where the shoe pinches—that the men who know, or who ought to know, namely, the experts, are not the men to decide the dispute in question ; but the decision, if it accords with their view at all, must be brought about by the concession of the civilian and the politician.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. If this doctrine had been asserted by me, without saying from whom it came, there would have been a howl from the other side. But this is the true constitutional doctrine. I was told this afternoon that I was a separatist, that my heart was not with British institutions. Sir, I am proud to say once more, as I have said many times that from my boyhood I have been a true adherent of British institutions.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. I say more, I claim that I understand—and in saying this I do not think I am boasting—British institutions far better than many hon. gentlemen on the other side who try to assail me.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. When Viscount Wolseley had a difference with the War Office and wanted to bring that difference before parliament and the people, and allow the people to judge between the two, what did the War Office decide ? It decided that Viscount Wolseley, illustrious general as he is, was subordinate to the civil power, and that if the views he submitted to the civil power were not acceptable, there was no help for it and he had to submit. Sir, we assert nothing else in this matter. But I will say more. My hon. friend the Minister of Militia, in his anxiety to do the best he could for the militia, went further than anybody in his position would have gone in England. He submitted last year to the opposition a proposition both wise and patriotic. He stated to the opposition that he had received a plan which he did not endorse, and which, in his opinion, it would be a grevious mistake to make public. But as perhaps there might be some good in it, he offered to hon. gentlemen opposite to have a committee formed, on which they would be represented, so that both sides might examine into this plan, but because there were things in it which it would not be wise to divulge to the world, the proceedings of that committee should not be made public, but be kept secret. This offer was not accepted last year. but nobody then made it a grievance against my hon. friend that he did not parade before the whole world not only our resources, but our weaknesses as well, and under the circumstances it seems to me that the position taken by the government to-day is absolute unassailable. It also seems to me that the position taken by Lord Dundonald cannot be justified from the point of view of constitutional government. What Lord Dundonald wanted was to assert the supremacy of the military power over the civil ; but, as my hon. friend the Minister of Militia said yesterday, so long at all events as there is a Liberal government in Canada, the civil power shall rule over the military.

Some hon. MEMBERS. Hear, hear.

Sir WILFRID LAURIER. Let me now pass to another subject which has been the proximate cause of all the difficulties between Lord Dundonald and the Minister of Militia. I refer to the recommendations which were sent to Council by the Department of Militia for the organization of the 13th Scottish Light Dragoons. On the 19th of May, Lord Dundonald signed a recommendation to Council. That recommendation came back from Council with a name erased by a member of the cabinet. This seems to have been in the eyes of Lord Dundonald a most grievous offence. I do not wish to say anything offensive; but, if I am to construe according to what seems to me the only sense possible, the speech which was delivered in Montreal some few days ago, Lord Dundonald regarded it as an offence that, he having put his pen to a document, anybody else should put his pen to that document afterwards ; he having stated that such and such appointments should be made, those appointments should stand whether they were good or whether they were bad. Now, some time ago I stated in the House that Lord Dundonald having so recently come to the country and never having been in the eastern townships could not know the men he was recommending. I speak under correction ; he may have known one or two, but I doubt if he knew more. I doubt, if he knew, for instance, Dr. Pickel. When the recommendation came to Council from Lord Dundonald, it was known to every man in the Council that Lord Dundonald had taken his information second hand, that he must have received from somebody recommendations as to these appointments. He tells us that he had got it from the gentleman whom he had entrusted with the recruiting of the regiment. So far so good. But, if there was at the Council a gentleman who could say : I come from the part of the country where this regiment is to be recruited ; I know the gentlemen whose names appear on the list and I approve of all of them except one ; this one, Dr. Pickel, in my estimation is not qualified for the position to which it is proposed to appoint him ; he has never taken an interest in the militia and I assert that it is not right, it is not conducive to the best interest of the regiment and of the militia that this gentleman, who has no military qualification, should be put in such an important post as major ;—if there were at the Council a gentleman able to speak such words with the authority of local knowledge, will any hon. gentleman on the other side say that it was an offence against the dignity of Lord Dundonald for the Council to be influenced by such representations? Will any hon. gentleman say that it was not, I will not say the right only, but the duty of that hon. gentleman to declare his honest convictions ? Yet the head and front of the Minister of Agriculture's offending had this extent, no more.

Sir, I will not go into the minute, petty question whether or not my hon. friend the Minister of Agriculture had the right to sign that document for the Minister of Militia. I see before me my hon. friend from South Lanark (Mr. Haggart) ; he is an old parliamentarian, and he knows that every day a colleague signs for a colleague and that the recommendation so signed goes before the Council and is dealt with by the Council. That ought to be a sufficient answer to such petty, miserable criticism. But, there is something more. Wonders will never cease,—the once proud Conservative party, in their downward career, have come to this—that yesterday we heard from one of the leaders of that party, my hon. friend from Jacques Cartier (Mr. Monk) a

declaration that the General Officer Commander should be given *carte blanche*. The General Officer Commanding, is appointed by this government and occupies a subordinate position. But, according to the hon. gentleman he should be given *carte blanche* and whatever he does should be accepted ; the minister and the cabinet should be simply recording clerks of his will. And this is the policy of the once great Conservative party. My reading of history has informed me—and no doubt my hon. friend from Victoria, N.S., who is an old veteran in the cause of reform, has the recollection that there was a time in Canada when we had militia authorities to govern us. Those were the old times of the Family Compact, when the military authorities were surrounded by a crowd of sycophants and minions, who could dispose of the public domain for their own benefit and that of their favourites. I do not know how the new doctrine will strike the whole province of Ontario. But if the names of Brown and Mackenzie have not been erased from the memory of the people there, I can imagine how the Grits of Ontario will receive it. The hon. member for Jacques Cartier went even further. Having stated that we should give *carte blanche* to the General Officer Commanding, he went on to the conclusion, which was inevitable from his premises, that we had acted very wrongly in relieving Lord Dundonald of his command. He went further still ; he told us that the treatment which we had meted out to Lord Dundonald was harsh and cruel. How harsh and cruel ? That it was painful to those who had to inflict it is undoubted ; but if it could have been avoided, I confess I do not see how. We were told to-day that we might have done in the case of Lord Dundonald what was done in the case of Lord Charles Beresford. Certainly we might, if the cases had been alike. If, like Lord Charles Beresford, Lord Dundonald had apologized for his conduct, certainly we would have treated him as Lord Charles Beresford was treated. Lord Charles Beresford had written a letter which was published without his consent and he so declared. But Lord Dundonald went to Montreal for the very purpose of bringing on this scandal. Therefore, there was nothing to do but what we did. For our course we have abundance of authority in the mother country. Only two years ago, just after the conclusion of the South African war, General Colville had a disagreement with some of his brother officers. He was charged with not having done his full duty under certain circumstances in South Africa, and with having left a certain portion of the army in great distress, whereas, if he had been more active and determined he might have relieved it. The War Office took a lenient view of the accusations against General Colville. They did not dismiss him ; they did not deprive him of his rank ; they gave him a command in Gibraltar. But when General Colville had been given this new command he made the great mistake of going before the public, of writing for publication in the press, commenting upon those who had brought the accusations against him. And what happened then ? He was at once relieved of his command. The debate upon the subject is instructive. The War Office had taken a lenient view of General Colville's case. But, when he sought to bring his complaint before the tribunal of public opinion, instead of laying it before the Commander in Chief, the measure of his offences was full. The matter was brought before parliament by Mr. Charles Douglas. I quote from the speech of that gentleman as reported in 'Hansard' page 1251 :

> A very considerable prejudice had been created against General Colville by the fact that he had published in the newspapers a statement of his treatment by the War Office. He did not defend that action of General Colville's. It was most desirable and necessary that they should uphold and fortify the great traditions of army reticence. Sometimes it led to hardship, but it was essential to discipline, and more than ever necessary now in view of the extreme activity displayed by the newspapers. He did not defend General Colville's action, but hoped the House would allow him to submit one or two considerations in regard to it. In the first place reticence could not be all on one side. If their generals were never to take means of vindicating themselves publicly, then he ventured to think that a little reticence should be observed by the War Office.
>
> When General Colville returned to this country the first thing he saw was a newspaper paragraph which was obviously inspired.

Now mark the answer which was made by Mr. Brodrick, Secretary of State for War:

> The question is whether a public stigma would have been put upon General Colville. That is what I wished to avoid. After that General Colville's action cannot be defended by any one. He left for England. He did not avail himself of his right of appeal to the Commander in Chief. He made no representations to the War Office. He immediately published what he called a justification, but which consisted rather of an attack upon the staff officers in the Transvaal ; and which also included, I regret to say, what appeared to be some ungenerous sneers against the cavalry whom he had found it impossible to relieve. And obviously it is impossible that officers, whether on the full paylist or the half paylist, should be allowed to make reflections on their superiors as General Colville did. He was placed on retired pay, and any officer who follows his example will necessarily share the same fate.

Sir, it seems to me this is conclusive, and is the fullest justification that can be offered to the House of the painful course we had to take against so distinguished an officer as Lord Dundonald. I am free to say, even at this moment, after all the painful explanations we have had, after the indiscretions committed by Lord Dundonald, that for

my part I look back with extreme regret upon the lack of judgment which has impelled Lord Dundonald so far to forget himself, so far to forget his position, so far to forget what was due to him and to his command, as to take the course he did. But law must be maintained, law exists for everybody, military law as well as civil law; and military law ought to be observed above all others by the general who is at the head of the militia. Further upon this point I have no more to say.

Now I may be allowed perhaps to do what I very seldom do. I may be allowed to say a word about myself personally. Some days ago, speaking in this House, I made use of an expression which was not in my mind but which came to my lips. I corrected it immediately. The word which I had in my mind was the word 'stranger' but I used another word. Sir, in my experience of many years I have never heard it called in question until to-day that a man may not be allowed an opportunity to correct a slip of the tongue. I have heard slips of the tongue more than once, I have heard one to-day, I heard one yesterday, some gentlemen using the words 'Minister of Agriculture' when he wanted to say 'Minister of Militia,' another saying 'Minister of Militia' when he wanted to say 'Minister of Agriculture.' These mistakes will occur. A man may want to speak of the city of Toronto, and may say the city of Montreal. But according to the new code of ethics which I find on the other side of the House, no man is to be allowed to correct any slip of that kind. Sir, I bow to this new law—which I hope, however, will never be the law on this side of the House, a law which we will never apply to the other side. I bow to it, but I wish to say to these gentlemen on the other side of the House whom I see before me and who call me to account for having had the misfortune, nay, not the misfortune, but the mere accident of slip of the tongue. I say to them: Let he who is without sin cast the first stone. Sir, I have been told that my meaning was contemplated, was offensive and insulting. I have been in this House for many years, I have seen some of the veterans of former combats pass away, I have been engaged in combats with some of them, I have fought a good many hard struggles, but I am not conscious in all the years of my life, in all the struggles in which I have been engaged with gentlemen on the other side of the House, I am not conscious that I ever deliberately used an offensive word towards any man or towards any class. I never sought a fight, but I was never afraid of a fight. Whenever I had to fight, I think it will be admitted by friend and foe that I always fought with fair weapons. I have been told to-day on the floor of this House twice that when I used the word 'foreigner' there was in my heart a sinster motive, there was in my heart a feeling which found expression. Sir, I have only this to say. I disdain to make reply to such an insinuation. If sixty years of what I believe to be after all an honourable life, a life which has certainly been one of loyal devotion to British institutions, is not a sufficient answer to such an insinuation, I will not attempt to make an answer. I have been told in the press, not in this House, that the word which I substituted for the word I used, the word 'stranger' which I substituted, was just as offensive and insulting as the other. Well, Sir, I do not pretend to be a master of the English language, but I do claim, without I think undue boasting, to have some knowledge of it. When I saw in the press that the word 'stranger' which I had applied to Lord Dundonald was offensive and insulting, I must confess that I was surprised, and I proceeded to brush up my literature; I went to the sources, I went to the dictionary as the first source, I went to the latest dictionary, the Standard, to find the definition of the word 'stranger.' Like many other words in the English language, like many other words in the French language, like many other words in the Latin language, and probably in all the languages, this word has more than one signification. Here they are:

> Stranger. 1. One is not an acquaintance; a person unknown; as, I was accosted by a stranger.
>
> 2. One not a member of the household; a visitor; guest; as, children should not talk when strangers are at the table. 3. A person coming from another country or a distant region; a foreigner; also, a person coming from another place, though in the same country; as, he had the air of a stranger; a stranger in a strange land. 4. One unacquainted or unfamiliar with something specified; one not versed or experienced; one mentally or spiritually remote; with to; as, he is a stranger to learning and culture. 5. Law. Any person who is neither a party to a transaction nor privy to it.

The Standard Dictionary quotes General Grant, speaking of his appointment to the army of the Potomac in the spring of 1864, saying:

> I was a stranger to most of the army of the Potomac; I might say to all except the officers of the regular army who have served in the Mexican war.

Very few researches brought to me an abundance of precedents. In the 'Story of the Revolution' Henry Cabot Lodge, the author, speaking of a visit by Washington coming from Virginia to Massachusetts, says:

> The people were evidently with him. They looked upon him as he rode down the lines and were content. The popular movement had found its leader and the popular instinct recognized him. Yet, Washington came to the men of New England a 'stranger.'

But, I am accustomed to the loyalty of hon. gentleman on the other side of which

we have had such evidence to-day. Perhaps they will not accept these American writers. Let us come back then to British authors, and if there is an opinion which ought to be apposite in a matter of this kind, since I am told that I have insulted my fellow countrymen of the Scottish race, let me quote from Sir Walter Scott. We find in his book 'The Pirate' that, speaking of a Mr. Mertoum, an Englishman who was visiting the Shetland Islands, he says :

No one asked him whence he came, where he was going, what was his purpose in visiting so remote a corner of the empire, or what was likely to be the term of his stay. He arrived a perfect stranger, yet was instantly overpowered by a succession of invitations.

But, that is not all. Let us come nearer home. I have here in my hands the life of Lord Lawrence by Sir Richard Temple. In one of the chapters Sir Richard Temple speaks of the difficulties of every new viceroy sent from England to India. He says :

Usually a new Viceroy and Governor General is, on landing in India, really new in every sense. The European officers, the Native princes, chiefs and people, are strangers to him as he is personally unknown to them.

Here we are very near home when we are in another portion of the British empire, but let us come to Canada itself. There have been commanding officers of the militia before Lord Dundonald. There was one in 1875. His name was Sir Selby Smith. He wrote a report to the Minister of Militia of that day which is to be found in a blue-book of 1875 and here it is :

Headquarters, Ottawa,
January, 1875.

The Hon. the
Minister of Militia and Defence, &c., &c, &c.

Sir,—The Militia Reports which have been presented to parliament for several years past, have treated exhaustively the question of its organization and development.

It will therefore be my duty to confine myself to a few condensed remarks, as to the probable improvement of the Dominion forces.

I approach the subject with hesitation, having so recently arrived for the first time in Canada. I would hardly do so at all, but from the experience gained in my late journey through the provinces of Quebec and Ontario.

To Nova Scotia and New Brunswick I am still a stranger.

Now, Sir, it seems to me that my vindication ought to be complete, but I know that to-morrow and the day after to-morrow and every day and every week and every month, so long as there are some of those instincts which are now prevalent, in order to defeat a fair opponent, I shall be traduced before my fellow countrymen as having tried to malign and insult them.

Mr. SPROULE. Hear, hear.

Sir WILFRID LAURIER. Yes, there is an echo.

Some hon. MEMBERS. Shame, shame.

Sir WILFRID LAURIER. Let me say this to that hon. gentleman that I am familiar with these appeals to passion and prejudice. In my own province——

Mr. SPROULE. I want to tell the right hon. gentleman that I have never appealed to passion or prejudice——

Some hon. MEMBERS. Sit down.

Mr. SPROULE—to race or religion and I defy him or any man to say that I have done so, I do not care who he is.

Sir WILFRID LAURIER. In my own province the allies of the hon. gentleman, those who fight with him, have traduced me for years as a traitor to my race and religion. But, the cry is getting stale and a new one has to be invented. I have no more fear of this one than I had of the other. My experience has convinced me, my experience has proved to me that in this good land of Canada, in all sections thereof, in all classes thereof, in all races thereof, in all creeds thereof appeals to prejudice may create a flurry of excitement but they will invariably end in producing nothing but contempt in the hearts and minds of an intelligent and honest people.

Mr. T. CHASE CASGRAIN (Montmorency). The taunt has been thrown across the floor of the House several times by hon. gentlemen on the other side of the House that we have forsaken the cause of Lord Dundonald, that we have nothing to say in his defence. Let me say at the very outset of the few remarks which I am to offer to the House that Lord Dundonald needs no defence from me or from any member of this House especially from this side of the House. The name of Lord Dundonald today has become a household word in almost every house in the Dominion of Canada. His defence is in the mouth of every patriotic, loyal and unbiased citizen of this country. Sir, we are now in the times when our young men assemble in the camps, and I have no doubt that every evening around the camp fire the youth of this country are discussing this question and that there are very few if there are any at all of the members of the militia force so assembled in camp who have not the praises of Lord Dundonald on their lips. But, Sir, coming from the province of Quebec, not at all that I believe I represent the province of Quebec, but, I am sure I represent the vast majority of those from the province of Quebec who are members of the militia when I say that if Lord Dundonald's praise is in the mouth of everybody outside of the province of Quebec that same praise is in the mouths of those who form the portion of the militia in the province of Quebec. I have taken particular pains to question my fellow countrymen, not now, but

ever since Dundonald has had anything to do with the militia of Canada and the reply which I have received from the French Canadian officers has been that he has been the best commander in chief of the forces that they ever had.

Sir, he has always made himself especially agreeable to the French Canadian officers, speaking their language to them and showing them every mark of confidence and courtesy which one gentleman could show to another. I was struck by one part of the speech made by the right hon. gentleman, the lesson he read to the Minister of Militia and Defence. Last evening the Minister of Militia and Defence spoke of Lord Dundonald but did not at all speak in those terms which the right hon. the leader of the House has employed this evening. On the contrary I must say that I was pained at the tone used by the Minister of Militia, and I can see no better campaign literature for this party than to distribute all through Canada the speech made last night by the Minister of Militia. If I had anything to do with the organization of the party I would have that speech printed by the thousand and distributed all over the Dominion. What do we find ? We find the Minister of Militia constantly contrasting the nobleman, the patrician, with the humble colonial and the plebeian. It seems to me that it comes with very bad grace from the mouth of the Minister of Militia and Defence who not long ago, received the decoration of the Order of St. Michael and St. George, and wears upon his breast the star of that order, and is entitled to be called to-day 'Sir Frederick Borden.' I do not see why these sneers are cast upon the British aristocracy and especially upon Lord Dundonald because the Minister of Militia must have remembered that while it is true that Lord Dundonald was born a nobleman, he has also carved with his sword a great name upon the annals of the empire. Sir, I am an admirer of the British aristocracy. Whilst in other countries the scions of great houses seem to have forgotten the role they are called upon to play in the different vocations in which they should be engaged, in Great Britain, on the contrary, the heirs of the great names have remained faithful to the traditions of their race, and whether it be in peace or war, we find these great men taking their share either in defending the country in time of war or conducting its councils in time of peace.

Another insinuation which my hon. friend threw across the floor of the House against Lord Dundonald was that probably the action which he had seen fit to take when he made his speech at Montreal, knowing that in consequence of that speech he would probably have to separate himself from the militia of Canada was due to the fact that there was a scheme shortly to be placed before parliament by which the office of Commander in Chief was to be abolished. As if Lord Dundonald was to be influenced in any of his actions by the paltry salary of $4,000 which the country had been paying him for his valuable services ! Then again I was pained to hear the Minister of Militia making another insinuation and a more serious one against the noble lord the late General Officer Commanding, when he insinuated, speaking of the ordnance department, in the two cases of Lieutenant-Colonel Roy and Lieutenant-Colonel Bélanger, that probably it was on account of their nationality, of their being French Canadians, that he complained of their elevation to the rank of lieutenant-colonel. I think this was an unworthy insinuation, unworthy of my hon. friend and of the position which he occupies. My hon. friend growing eloquent just now, in speaking of arousing race prejudices, accused this side of the House of having done that. I would like to know what the Minister of Militia had in mind, and what the editors of the government organs have in mind, when they incite these animosities and say that one of the motives of Lord Dundonald in this case was that he made a difference between a French Canadian officer and an officer of another origin. It seems to me that the strong point of the government on which they have rested their case, was that Lord Dundonald was guilty of a gross breach of discipline in making the speech he did. These are the regulations of the British army which govern the British forces. The minister when he quoted these regulations was quoting something absolutely outside the case of Lord Dundonald. The regulation says :

> The regulations of the British army, which govern the Canadian force in all matters not specially provided for, prohibit 'deliberations or discussion by officers of soldiers with the object of conveying praise, censure, or any mark of approbation towards their superiors or any others in His Majesty's service.'
>
> The regulations for the militia of Canada lay down the rule that 'it cannot be permitted that (officers) shall bring accusations against superior officers or comrades.

What is meant here by 'superior officers?' Not the Minister of Militia, not any minister, but a superior officer in military command, because this word is certainly limited by the next words 'or comrades' which means comrades in arms, and I would like to know whether the Minister of Agriculture was the superior officer of Lord Dundonald on that occasion. Let me read this part of the Order in Council again.

> The regulation for the militia of Canada lay down the rule that 'it cannot be permitted that (officers) shall bring accusations against superior officers or comrades before the tribunal of public opinion, either by speech or letters inserted in any newspaper ; such a proceeding would be in glaring violation of the rules of military discipline, and in contempt of authority.'

If these are the rules which are to govern this case, is it not a fact that at every military banquet which the minister attends where officers laud the minister for what he has done for the militia, they should be summarily dismissed by this government? It shows that these regulations quoted in the Order in Council and again to-night, are absolutely beside the mark and have absolutely nothing to do with the case in point. They have to rest their case on this flimsy argument which cannot stand the light of the least examination for one minute. My hon. friend has tried to define the duties and obligations of the officer commanding from English authority. No hon. member on this side enunciated the extreme doctrine which my hon. friend tried to put in the mouths of hon. gentlemen on this side this afternoon that the General Officer Commanding was delegated here from the British government to represent the British government in matters military. Nobody on this side ever heard of such a doctrine. No newspaper or organ on this side ever promulgated such a proposition before the patient people of this country. The duties of the General Officer Commanding are laid down in the statute which my hon. friend quoted this evening. The statute says:

There shall be appointed an officer who holds the rank of colonel or rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia, and shall be paid at the rate of four thousand dollars per annum in full of all pay and allowances.

Now, Sir, the ground I take is this, that the General Officer Commanding is an expert adviser whom this government appoints in order to get advice on military matters which concern this country—upon the defence of the country, and upon all matters which relate to the organization and maintenance of the military force of the country. He is not to be here simply as a machine to follow the dictates of this one or that one. He must have some discretion. He is not, as I stated before, an employee of the government. He is a high officer of this government, with functions which have always been recognized, and are recognized to-day. I think Lord Dundonald had an absolutely correct idea of his duties when he said in his statement:

In all of my work I have endeavoured to keep steadily in view the nature of my post. I have not sought to impose my policy upon the minister or upon the cabinet. I have sought to carry out the plans approved by the government. In the technical administration of the force I held that I should be given a fairly free hand.

Not the control, as the Minister of Militia said last night, but simply a fairly free hand in the technical administration of the affairs of the militia.

At the same time I was careful to ascertain and consider the views of all persons interested. I claimed a smaller measure of freedom than is accorded to the general managers of important commercial companies. To make a railway pay it is necessary to leave detail matters of administration largely to the expert official in charge of the system. The managing of a military force is expert work, and the safety of the country is surely as important as the success of a railway. My claim for freedom extended only to the technical side of my work. I had no desire to force my policy upon the ministry.

Now, Sir, was any fact given in this House yesterday or to-day which shows that Lord Dundonald went beyond what he conceived to be his duty, and what was laid down as his duty in plain words? In this statement which he issued to the press there is not a tittle of evidence that he ever did anything which could be classed among acts of insubordination or disobedience to his minister, or which clashed with the authority of the head of his department. A good deal has been said yesterday and to-day with regard to the suppression of the second part of his report of 1902, and the minister's dealings with the report of 1902 and 1903. The leader of the House gave an altogether different reason for holding that those reports should not be published. He did not take the ground which the hon. Minister of Militia took last evening; but he went to a good deal of pains to quote authorities to show that those reports were confidential documents, and could not be laid on the table of the House except with the permission of the minister in charge of the department, in this case the Minister of Militia and Defence. He quoted from page 442 of Todd on 'Parliamentary Government in England.' I will not make the whole quotation again, but I will quote this much:

The system of laying upon the table of the House reports from officers addressed to particular departments of the executive government is most objectionable.' And the House ought not to insist 'upon the production of papers and correspondence which concerned the preparation and preliminary consideration of measures; they would thereby put a stop to that freedom of criticism which was always invited on such occasions, and which contributed so much to the perfection of public measures.'

Again my right hon. friend is beside the mark. These remarks do not at all apply to departmental reports in the sense that they are in the blue-books and are each year put upon the table of the House. You have only to refer to two pages before to see that these remarks refer to 'the practice in regard to the granting or withholding by the executive of information desired by either House of parliament.' When a mo-

tion is made in the House for the production of a document, the government on certain occasions is authorized and empowered to withhold the document on the ground that it may contain confidential or secret information, or information which it would not be in the interest of the public to lay before the House. This does not apply to reports which the minister is obliged each year to lay before the House. Why, the very Militia Act, which enacts that a commander-in-chief shall be appointed, contains the following in section 126 :—

All regulations made under this Act, and an annual report of the state of the militia, shall be laid before parliament by the Minister of Militia and Defence, within the first thirty days of the then next session thereof.

My right hon. friend says that even before this report could be handed to the minister, it should be asked ; but the statute says the contrary. I take the right hon. gentleman's word on a great many occasions as laying down the correct law, but when I find him in direct contradiction to the statute, I say he must be wrong. It was the bounden duty of the Minister of Militia and Defence, within the first thirty days of the session, to lay the report of the department before parliament ; and how is this report made up ? It is made up of the report of the General Officer Commanding and the heads of the different branches of the department, just as the report of any other department is made up. Therefore the argument of my right hon. friend falls to the ground. This is not the ground that the Minister of Militia took last evening. The ground he took was that this was a confidential, private or secret report ; and he said the same thing last session. He gave as his reasons for not producing the second part of the report of 1902 that it was a secret and confidential report. I say that argument is not correct. The report itself not only was not marked private, but by its very nature it was intended for pub lication. My hon. friend founded the principal argument he made upon the fact that the covering letter by which the report was sent to the minister was marked private, and he quoted this letter to show that the report itself must also have been private. Let me read some of these extracts again in order to show that the ground falls from under the feet of my right hon. friend. This is what the General Officer Commanding said :

Creichton Lodge,
Ottawa, Jan. 29, 1903.

'Private.'

Dear Sir Frederick,—I am sending you with this my report for the year 1902. I only received the last of the sub-reports to me last Saturday—there has been, as you are aware, a great deal of work involved, first in becoming acquainted with the system, then in discovering its weakness, then in suggesting remedies for improvement.

Exactly what the statute enacts that he should do. He is bound to describe the condition of the militia at the time he makes his report. He goes on to say :

I hope that the recommendations I make will commend themselves to you. I think they will, as from our conversations I believe we agree on many essential points. I don't think the country can obtain a cheaper or more efficient system for money expended than the one outlined if only you can see your way to get it adopted and the proper funds voted.

I am still confined to the house but hope to get out to-morrow and shall look forward to seeing you Monday at latest if convenient to you.

This letter was marked 'private' because it was intended for Sir Frederick Borden alone and not for his department. But to argue that because this letter was marked 'private,' the report itself was private and confidential is presuming rather much on the lack of intelligence of this House. My hon. friend the Minister of Militia last evening tried to make us believe, from reading these letters, that the general had consented to the suppression of part 2nd of his report. After stating his case, he said :

Now that is the record. Does that record bear out the statement which this right hon. gentleman has seen fit to make in this address of his to the people of Canada ?

Mr. CASGRAIN. Yes.

Sir FREDERICK BORDEN. Who says yes ?

Mr. CASGRAIN. I do.

I was bold enough to say that the record bore out the statement which Lord Dundonald had made in what my hon. friend calls his address to the people of Canada. Why, all through these letters, the general discusses the question of the publishing of his report. Here is a letter dated the 31st of January, from the Minister of Militia and Defence, in which he said :

Dear Lord Dundonald,—I have carefully read your very interesting and able report. I don't know whether you intend Part II to form part of the annual report of the Minister of Militia and Defence for this year (i.e. 1902), but I am afraid it would not do to put forward a scheme which has not yet been considered as a whole even by the minister and of which the other members of the cabinet have as yet had absolutely no opportunity of knowing anything. Besides, there is the very grave question of propriety of giving such a scheme to the world ; at any rate, in such detail. Furthermore, you are aware that a scheme was recommended by the Defence Committee of 1898, approved by the War Office and adopted by the Canadian government.

Then he goes on to say :

Then there is the financial question. It is absolutely necessary that I should have a carefully prepared estimate of the cost involved in your proposals before they can be considered by the government.

So that the House will see that what the Minister of Militia was trying to do was to

convince the General Officer Commanding that this report should not be published. He did not refuse to publish it, but he reasoned with the general and tried to convince him that it should not be made public. What does Lord Dundonald say ? He writes as follows :—

Dear Sir Frederick,—Yes, I will let you have the report with slight amendments as suggested almost at once. Will you let me have the part you have, and I will let you have the whole back again in a few hours ?

Again the Minister of Militia writes :

Dear Lord Dundonald,—I would like to again call attention to my letter of the 31st ultimo dealing with your annual report. After very careful consideration of the matter since that letter was written I am more than ever convinced of the correctness of the views therein expressed.

It is quite outside the province of an annual departmental report to propound a scheme or policy of defence and therefore I must ask you to be good enough to omit Part II (so called) from your report, and to amend Part I accordingly.

I shall be quite ready, however, to approve of the insertion in your annual report of a clause stating that you have prepared for my information a scheme which you think would (to use the words of the heading to part 2) 'conduce to the greater efficiency of the militia as a fighting force.'

May I ask, therefore, that the annual report be amended as above suggested, and placed in my hands to-day so that it may go to the printer.

Did Lord Dundonald acquiesce in the request made to him by the hon. minister ? Here is what he says on the 28th of February :

Dear Sir Frederick,—I return the report divided as you wish. There was a difficulty in getting that work done Saturday owing to the day being a half holiday.

From one end of these letters to the other, you will see the discussion going on, and not once did Lord Dundonald acquiesce in the request made to him that part 2nd of his report should be suppressed. I ask if the argument which my hon. friend the Minister of Militia based upon the word 'private' on the first letter can stand. Is it not a fact that this report was recognized by the minister as essentially a report for publication ? If not, why was part 1st published. It was published because the statute enacts that these reports must be given to parliament and part 1st went in the same envelope as part 2nd. My hon. friend, the Minister of Militia, states that this probably involved a great change and that it did not commend itself to his judgment. But a few days after, my hon. friend delivered a eulogy upon the General Officer Comanding, and I think it is only right that I should read it because it is the best praise that probably could be given Lord Dundonald under the circumstances, coming as it does from the man who last evening passed such strictures on his conduct :

We might congratulate ourselves in this country on having at the head of the military side of the Militia Department a gentleman who understood the importance of all he (Sir Frederick) had said. (Cheers.) He was not only a great warrior, as he had proved in a dozen battles—(cheers)—but he was a man of sound sense and judgment.

And this was after he had given in his part 2nd of his report of 1902. He was still a man of sound sense and judgment according to the Minister of Militia :

Who was here for the purpose not of self-aggrandizement, not of playing to the gallery and having his name and praises sounded on every possible opportunity, but of developing the material he found into one of the best fighting forces on the earth.

I cannot understand how it is that after passing this eulogy on the General Officer Comanding, my hon. friend can come to the House and describe the general as a man absolutely inferior and not at all fit for the high position to which he had been called. What is the reason the report of 1903 was mutilated ? Here is the most extraordinary reason given for doing this which I have ever heard a minister give in this House. It is to be found on column 5441 of the revised 'Hansard :'

I did not object to the report so much as I objected to the publication of certain portions, and I wished him to amend it, and he, as I supposed, agreed to do so. Some of the objections which I made to it were that it referred to documents which had not been brought down to parliament, which there was no intention to bring to parliament. I informed him that the moment that report was laid on the table of the House, the members of the House would have the right to ask for the documents ; and, as we did not wish to bring the documents down, I did not wish these references put in the report.

It seems to me that this is a most extraordinary reason for the correcting or the mutilating of the report of 1903. I am not at all in favour of militarism or a standing army, but it seems to me that if we are to spend $2,000,000 a year on our militia, we ought to get some return in the shape of an efficient force and not have, as the hon. member for Haldimand (Mr. Thompson) described it last year, the shadow of a skeleton. The General Officer Commanding is an officer of the Militia Department. It was he who made this report, and I can quite understand that if it contained disclosures upon the condition of the defences of this country, which should be considered confidential, there might have been some reason for suppressing it. But this has not been alleged ; and the only reason given by my hon. friend last night was that it contained a new scheme for the defence of Canada. Sir, I do not wish to establish the people of this country as judge between the General

Officer Commanding and the Minister of Militia ; but if there is nothing detrimental to the best interest of the country contained in that report the people who pay the General Officer Commanding, and who have the interest in the militia, have the right to see part 2 of the report of 1902, so as to be able to judge whether or not this parliament should vote more money, or less money, or make some change in the plans or system of the militia.

I shall not go over all the arrangements in the debate but let me come to the more contentious part of the amendment. My hon. friend from Compton (Mr. Pope) alluded to a coincidence which I had intended to speak of. We know that in the latter part of 1903, there was a hotly contested election in the county of Brome for one of the seats in the legislature of Quebec. In the selection of a candidate, and in the carrying on of the campaign, the Minister of Agriculture took a prominent part. And when the treasurer of the province of Quebec was elected as member for Brome, his election was contested before the courts, and as stated by my hon. friend from Compton, the petition protesting the election was signed by the firm of Baker and Baker, which firm is composed of Senator Baker and his son. And in this petition the House will remark, the Minister of Agriculture was accused of illegal practices under the Election Act of Quebec. If this protest had gone to the courts, and if the facts had been proved, the hon, gentleman (Mr. Fisher) stood to be disqualified for any office in the province of Quebec and subject also to a heavy penalty. The case was so serious that, at the last session of the legislature of Quebec, a special Bill was introduced to relieve these gentlemen from the penalties to which they had subjected themselves by their conduct in that election. I am glad to say, for the honour of the province of Quebec and the dignity of its legislature that the Bill failed to pass. Still the effort was made. On whose behalf was it made ? On behalf of the gentleman who had taken an active and illegal part in the election in Brome. The case was serious, and, of course, the men who had signed this petition were open to the vengeance of my right hon. friend the Minister of Agriculture. A little while afterwards the organization of this regiment in the eastern townships was undertaken. And what does my hon. friend say ?

> I must premise my explanation in regard to this matter by saying that Senator Baker, of Sweetsburg, is the acknowledged and active leader of the Conservatives of that district.

> And the hon. gentleman should have added, 'and he signed a petition asking for my disqualification.'

> I found this list of proposed names for the staff for the neighbourhood of Sweetsburg. First, Mr. John M. Gibson, a nephew of Senator Baker, and talked of as a possible Conservative candidate in the constituency of Missisquoi, to be third in command of that regiment. Dr. Pickel, one of the strongest Conservative workers of the neighbourhood and a family connection of Senator Baker, to be major in command of the squadron which, though gazetted for Adamsville, was to be changed to Sweetsburg to suit his convenience. Mr. G. H. Baker, son of Senator Baker, to be senior captain of the said squadron. Mr. Thomas R. Pickel, son-in-law of Senator Baker to be the junior captain of the said squadron. Then, there were the names of two gentlemen, Messrs. Steacie and Reynolds, of Montreal, to be lieutenants.

So, while this petition was before the courts this terrible Baker family was known for its loyalty throughout the eastern townships and was ready to wear the uniform of His Majesty and fight the battles of his country; and immediately my hon. friend said : I will not have this, especially, I will not have Dr. Pickel, who is a son-in-law of Dr. Pickel—he must go or there will be no organization of this squadron in the eastern townships. Now, what is the statement made by Colonel Smart ? Let me read from the documents that have been laid before the House :

> Dr. Pickel is a man of means, can ride fairly well, and was quite willing to take the necessary time to qualify himself for the position of major. Mr. Fisher objected to him for no other reason than that he was a strong political opponent of his and was quite determined to block the whole organization, unless Dr. Pickel's name was withdrawn.

I do not know Colonel Smart, and am not aware whether he is a Conservative or Liberal ; but I must say that if he were a prominent Conservative, I would probably have heard of him and would have noted him before this. But I find him a man not afraid to give the exact version of what took place when he met the Minister of Agriculture. He says that Dr. Pickel was not then qualified, but he was a man of means, able to ride and ready to make the sacrifice of the time necessary to qualify himself for the position he was to hold in the regiment. But he was allied with the House of Baker, and the name of Baker was signed to a petition which contested the election of Brome. So, Dr. Pickel was to go, and, if not out, this regiment was not to be organized and the eastern townships would have to do without it. Is this statement of Colonel Smart controverted in this House ? What does my hon. friend the Minister of Militia say ? I quote from page 26 of the correspondence, a letter from the Minister of Agriculture to Colonel Whitley dated, Ottawa, 20th of May :

> I think you will appreciate that I have not asked nearly as much as impetuous friends in the county expected, but I think that what I have asked has been entirely reasonable.

Who were the 'impetuous friends'? Were they 'impetuous' in getting up this military organization. No. They were 'impetuous' political friends of my hon. friend the Minister of Agriculture. This shows that the hon. Minister of Agriculture was taking counsel in the county not from those who were trying to get up the organization of a regiment of cavalry, but from those who were trying to foist upon the regiment men whom they thought it desirable to appoint to the positions in it. And the Minister of Agriculture says that he has not got so much as his 'impetuous' friends asked for, but that he had got a good deal. He confesses judgment—he says that he has tried his best to get all that his friends demanded, that he has got a good deal and that they must be satisfied. And what does Colonel Whitley say at page 27 of the same report? This was read by my hon. friend from Compton, (Mr. Pope) but it will bear repetition:

I think I told you, in Ottawa, my views re the drinking question. I dread an intemperate officer; they are useless, indeed of great harm wherever they appear, and, candidly, I would prefer political opponents to such.

The worst man would be an intemperate officer, but the next would be a political opponent. All through this correspondence, it is plain to be seen that the object these hon. gentlemen had was not to keep this regiment from being made a Tory preserve, but to make it a Liberal preserve. And what does Mr. Brenham say—page 29?

Now, if you do not get any applications from any of our fellows, rather than see it go to those fellows in Sweetsburg, I would take a commission and do the best I could, so will leave the matter in your hands and will be satisfied with the results.

Sir, these gentlemen were trying to get their 'fellows' into the regiment. Who were their 'fellows'? Their political friends. And they were trying to exclude as far as possible any member of the Baker family, exclude as far as common decency would permit, any Conservatives from the regiment and were trying to get their 'fellows' in if possible. Now, let me read further on from this same page, 29, a letter from the Minister of Agriculture to a Mr. Clinton:

He and Mr. Parmelee and I have been discussing matters here at length, and Mr. Parmelee and I are satisfied that he is honestly desirous of remedying these mistakes and doing anything he can to meet our views.

Here is Mr. Parmelee brought in now. For what purpose? Is Mr. Parmelee a military expert? Does he know anything about the requirements of the militia? Does he know anything about the military qualifications of these gentlemen? If he was consulted, he must have been consulted merely as to the political qualifications of 'our fellows' in the different places in which this regiment was being recruited.

It is impossible, however, to make all the changes that our friends would like.

'Our friends would like.' It was purely from a political standpoint and no other that these appointments were being made.

The most important ones, have, however, been made. Dr. Pickel is not to be given command of the squadron, and Tom. Pickel is to be made lieutenant instead of captain.

When they could not put him out they reduced him in rank.

Clifton Miltimore is to be given a captaincy. We have adopted the plan that men without any military experience as a rule should start as lieutenants. The squadron which was named for Adamsville is to be changed to Cowansville, not Sweetsburg.

No, they would not go into that Tory town of Sweetsburg, but they would go somewhere else—always the political motive at the foundation of everything in the organization of this regiment.

The squadron which was named for Mansonvile is to be changed to Knowlton.

Many hon. gentlemen may not know that Mansonville in the county of Brome is the place in which Mr. Manson resides, and that Mr. Manson was an opponent of Mr. McCorkill in the local fight of which I have just spoken. Of course they had to take the squadron out of Mansonville so that it would not be contaminated by Mr. Manson or any of those bad Tories, and put it in Knowlton which was not such a Tory locality as Mansonville. But is it not a fact that far from being disproved, the statement of Colonel Smart was carried out by all the letters which have been written by my hon. friend, and my hon. friend has stated before this House time and again that he was determined that this regiment would not be a Tory preserve. Here again we see that the political hand of my hon. friend was busy in meddling in this matter and in trying to keep as many Conservatives out as he could.

Now what are the consequences of all this? The consequences of this intermeddling will have a deterrent effect upon the minds of those who want to join the militia of this country. When men of means, capable of joining the militia force would like to do so, they will be deterred by the knowledge that if they are Conservatives they will have no advancement and no promotion, that they will be kept out of positions, and that they will get scant justice and even scant courtesy from the hands of hon. gentlemen opposite.

Now this country has to choose between the Minister of Agriculture and Lord Dundonald. My right hon. friend the leader of the House this evening said that he could

not agreee with the last paragraph of the resolution moved by my hon. friend the leader of the opposition. He went further, and he said that this last paragraph is not borne out by the facts laid before the House. Sir, it is true that Lord Dundonald, in his statement to the press, has given other instances of meddling and interference by the Minister of Agriculture. But what came to pass ? This came to pass, that 'the last straw which broke the camel's back' as the hon. gentleman said last night, was the meddling of my hon. friend in the organization of this squadron in the eastern townships. It was his meddling and interference, when he had no right to do it, because he was interfering from purely political motives, and this is what Lord Dundonald resented. Now we see that the action of the hon. gentleman has culminated in the retirement of Lord Dundonald, in the dismissal of Lord Dundonald, in his being sent away from this country under a cloud, as it were, having his services dispensed with by this government. The country will have to choose between Lord Dundonald and the Minister of Agriculture. I never knew before that my hon. friend was so great an adept in military matters, and I am forcibly reminded of one of the letters of Mr. Dooley entitled 'In peace and in war.' Hon. gentlemen who have read this remarkable book will remember probably that the President of the United States is recruiting some officers to send them to the war, in Cuba against the Spanish, and one man comes up and the president said: 'What kind of pyjamas do you wear'? 'Silk pyjamas.' 'Well,' said the president, 'I will make a brigadier general of you.' Sir, I must apologize for having mentioned before this distinguished audience these unmentionables, and I must also apologize for having called to the mind of my listeners the spectacle of the Minister of Agriculture arrayed in his somewhat unmartial rig. Now this is the question before the House. The country will be called upon to decide, in a short time I hope, between the Minister of Agriculture and Lord Dundonald. We have put the case before the country. The people know the merits of the question, and I have no doubt that when the time comes to decide, Lord Dundonald will emerge from the discussion what he is now, and what he was when he came to this country, a most useful and experienced soldier, whose reputation the Minister of Agriculture has only endanced in the hearts and minds of every fair minded citizen of Canada.

Mr. ANDREW B. INGRAM (East Elgin). Though the hour is late I shall not apologize for taking up a few minutes in discussing this question. I shall try to make my remarks free from any partisan bias whatever, and aside from any political opinions I may hold. I have for years in this House taken some interest in military matters, not that I am a military man, but observing from session to session that though we have a membership in this House of 214, whenever a question came up affecting the militia of Canada, the discussion was conducted by but very few members. So I felt it my duty in my own humble way to take some part in the discussion of military questions when they came before this House, because the greater part of the members did not do so. Since I have been a member of this House I have noticed a vast difference in the military feeling among the members. A good many years ago when the Minister of Militia asked for a reasonable amount to promote the militia he received very little assistance in passing his estimates, although they were niggardly in amount. During the Conservative regime I always understood, at all events, I never noticed that any partisan feeling governed the action of the Militia Department in those days.

I would like to believe to-day that no political feeling is engendered by the hon. Minister of Militia and Defence in the administration of his department. I would like to believe that and on that line I am going to proceed with my argument though my remarks will be brief and to the point. It has been said in this discussion and said repeatedly by the hon. Minister of Agriculture that he had no desire to introduce party politics into the militia of this country, that what he did he did in the interest of the militia and that was his sole object and aim. I would like to believe that statement in the interest of the militia, but I do not think the hon. gentleman will pretend to believe that his conduct in this matter was purely non-partisan. His language has been such as to lead me to believe that his conduct was rather partisan, But, the point at issue in this case is simply this : The commander of the forces of Canada, by reason of certain interference, has, in a speech at Montreal, stated that the act of the hon. Minister of Agriculture was the last straw that broke the camel's back and that by reason of that act the commander of the forces was forced to speak out at the banquet in Montreal. Now, Sir, I am not going to enter into a discussion as to whether he was acting improperly in doing that. I am not going to enter into a discussion as to whether the government are justified in dismissing him. That is not the point I am going to discuss. I have always been led to believe in this House that the military forces of this or any other country, I care not where it is, are the most successful that observe strict discipline. I have recognized that there is a head of the militia force. I have recognized that the Minister of Militia is the head of the militia force of this country and that next to him is the commander of the forces. I have looked over the report of the Department of Mili-

tia and Defence which was laid on the table of the House this session and I find that, notwithstanding the quotations of rules and regulations read by the right hon. Prime Minister and by my hon. friend from Montmorency to-night, this report states that :

The present organization of the department, so far as the branches under the control, or supervision, of the General Officer Commanding are concerned, is outlined in a Minute of Council, dated October 29, 1903, which was promulgated as General Order 159, 1903, as follows :

DISTRIBUTION OF DUTIES.

The General Officer Commanding.

1. The General Officer Commanding shall be charged with the military command and discipline of the militia, shall issue General Orders and hold periodical inspection of the militia.

He shall be the principal adviser of the Minister of Militia and Defence on all military questions and shall be charged with the control of the branches of the Adjutant General, the Director General of Military Intelligence and Military Secretary, and the general supervision of the other military branches.

He shall be charged with the general distribution and localization of the militia, and with the selection and proposal to the Minister of Militia and Defence of fit and proper persons to be recommended for commissions in the militia, of fit and proper officers for promotions, for staff and other military appointments, and for military honours and rewards.

Then this goes on to state the duties of the respective branches. It refers to the adjutant's general's branch, the intelligence branch, the military secretary's branch, the quartermaster general's branch, the engineer service branch, the ordnance branch and the medical services branch. It concludes:

All orders or regulations inconsistent with this Order in Council are hereby cancelled.

These are the duties of the various officers whose work is subject to the approval of the commanding officer, who, after he has approved of any matters affecting the forces, submits them to the minister for his approval. In this report I do not see that the hon. Minister of Agriculture has any duties to perform in connection with the militia, and I am giving to the hon. minister of Agriculture the same rights as the hon. Minister of Finance or any other cabinet minister has and what are they ? They are that when the hon. Minister of Militia and Defence takes his report to Council and these gentlemen sit around the council board, whenever that document is placed before them for their consideration, they are quite within their rights and they are doing their duty as I understand it when they undertake to discuss that document. We have heard a great deal about etiquette in the city of Ottawa. I take it when the commander of the forces referred to etiquette in the city of Ottawa he meant that the hon. Minister of Agriculture, without consulting the head of his department, without consulting the commander of the forces had undertaken to write to certain officers in the eastern townships asking them to accept commissions in the force in which it was no part of his duty, but interfering with the duties of the hon. Minister of Militia and Defence and the Officer Commanding the forces of this country, thus committing a breach of military etiquette. It does not require a military man to go down to the camp which is now being held at Rockliffe to discover that a corporal is jealous of his authority and of his rights, that a lieutenant, a captain, a major, or a colonel is jealous of his authority and stands on his dignity in exercising his authority. So it is with the General Officer Commanding the forces. The hon. Minister of Agriculture stated that when the officer commanding the forces telephoned to him and asked him to make some arrangement by which he could discuss this question with him, he gave him to understand that he had an office down town and that if there was anything he desired to consult him about he knew where to find his office. I would have thought that if Lord Dundonald or the hon. Minister of Militia and Defence desired to consult the hon. Minister of Agriculture on matters affecting agriculture the least the hon. Minister of Militia and Defence or the commander of the forces could do would be to go to the office of the hon. Minister of Agriculture, but when the hon. Minister of Agriculture was asked to discuss some matters in which he was interfering and for that purpose to come to the office of the hon. Minister of Militia and Defence it would not have been undignified on the part of the hon. Minister of Agriculture to have done so, and it certainly would have been more in line with the discipline of the militia of this country. He was dealing with a question affecting the militia of Canada in a department with which he had nothing to do other than any other Minister of the Crown has occasionally to deal with certain matters coming before the Privy Council of which he is a member. I do not deny him the right to deal with these matters at the Privy Council but the hon. Minister of Agriculture had a right to go and consult the hon. Minister of Militia and Defence and the commander of the forces, if he felt disposed to do so. I want to say that if this hon. gentleman had shown a disposition to make matters easy for the commander of the forces, if he had not desired to create dissensions amongst military men or put obstacles in the way of the commander of the forces, if his sole desire was to promote the welfare of the militia in the eastern townships the least he could have done would have been to have gone to the Department of Militia and Defence and there to have sat quietly down and dis-

cussed this matter with the commander of the forces. I am sure that Lord Dundonald would have quietly sat down with him and discussed this matter and that if he had suggested anything that Lord Dundonald deemed to be in the interest of the militia or in the interest of that portion of the force in the eastern townships he would have been only too glad to have accepted the suggestion.

That in my judgment would have been a proper course to pursue. A good deal has been said about Lord Dundonald in this House. I have watched closely and read extensively of the career of that gentleman in South Africa and it struck me that the language used was not justified by his career. The language was harsh and in my judgment uncalled for. Lord Dundonald is human like the rest of us, and he may have his faults. I heard the Prime Minister say let 'him who is without sin cast the first stone.' If he had erred in this case, I suppose he must suffer to the extent of his error, but whatever his error might have been I am quite within the mark when I say that his hearty wholesouled desire was for the welfare of the militia of this country and not for his own advancement. No man will charge him with being a political partisan. He has had a great deal of experience as an officer for many years, and now after one year in Canada we are told that he is unfit to command the militia of Canada.

We have heard a good deal about his report. Last year when the report of the Militia Department was laid on the table—and I take sufficient interest in the militia to read carefully every word submitted by that department for consideration—I discovered that there was a second report not published, and like two or three other members on this side—who take a lively interest in military matters, I was eager to know the contents of that report, because it occurred to me if we have an officer as capable as Lord Dundonald, capable enough to be sent by the British authorities to Canada, to take charge of our militia, any suggestions that he might have to offer to the people would be worthy of perusal and of consideration, and of examination in order to see whether the suggestions offered were such as the people of this country ought to adopt. I have here a report that was placed before the Privy Council, a document with the 13th Dragoons struck out on the 14th of May. That was done while it was before council. Why ? On account of certain interference by the Minister of Agriculture, certain objections he raised to certain persons on the list, in connection with the military organization in the eastern townships. Again on the 19th of May, the Minister of Agriculture struck out the name of Dr. Pickel, in the name of the Minister of Militia. If the Minister of Agriculture was requested to act in the place of the Minister of Militia on that particular occasion, the 19th instant, and if he on that morning had received a document from Colonel Smart to the effect that he wanted the name of Mr. Pickel struck out I would go so far as to say the Minister of Agriculture acting on behalf of the Minister of Militia, had a perfect right to strike it out, but when I go that far I call the attention to the fact, that he interfered previous to that, and had written letters in order to block Mr. Pickel in this matter when he was not acting as Minister of Militia. There is where the sin and the partisanship on the part of the Minister of Agriculture came in. He was not acting as the Minister of Militia, but was acting the part of a partisan. I would like to draw attention to a little matter in my own experience some few years ago and from this experience and the debate which is drawing to a close, I am bound to say that if the people of this country make a change from an officer who comes to this country from England and place the militia in the hands of a Canadian officer, we will have many instances of this kind occurring. On Wednesday, November 7th, 1900, we had a general election. In 1900 we had an estimate brought down in this House for a grant for an armoury, in the city of St. Thomas, of $8,000. The ground was bought on May 21, 1900. In 1901 we had placed in the estimates $24,000 in one case and $7,000 in another, a total in all of $39,000 for a drill hall and armoury in St. Thomas. The election took place on the 7th of November, but no contract was let, and no money was voted beyond the $8,000, but on November 3rd, four days previous to the general election although no contract had been let, the Minister of Public Works came to St. Thomas brought several soldiers there, and the Minister of Public Works went down and turned the first sod of an armoury for the building of which not one dollar had been voted by parliament. I think that comment is unnecessary; I shall simply place that on record and leave the House to judge whether there has been any partisan interference in this department. Last session I heard a gentleman make one of the best military speeches I have heard in this House for many years, a gentleman trusted by this government who filled a very important position in London, during the Jubillee. I refer to the hon. member for Haldimand (Mr. Thompson). I am bound to say that he spoke without any partisan feeling. His remarks were approved by members on both sides. After the hundreds of thousands of dollars which we had expended in this country for the purpose of promoting the welfare of the militia the hon. member for Haldimand (Mr. A. T. Thompson) rose and among other things said :

I have shown that we were called upon to furnish the skeleton of a skeleton. I now state that we have actually turned out the shadow of a skeleton of a skeleton. Can anything so

ghost-like be longer called a militia force? . . . . I know the case of one company which this year had two officers and six non-commissioned officers to command two men, one of whom was the cook.

This is a statement made not by any partisan on this side, but by a government supporter in a non-partisan spirit. And in view of the fact of our having some 4,000 miles of boundary line, between this country and the United States, it is not too much to say that Lord Dundonald's remarks were quite justified, when he said that we are living in a fools paradise.

So we are; there is no question about it. If anything should occur between the United States and Canada, which God forbid, should we not in time of peace prepare for war? The very fact that we are preparing for war is the reason we shall have peace maintained in the country. If the recommendations of the General Officer Commanding are not to be considered, what is the use of having a man of that character come to this country? It is simply a waste of time and a waste of money. When this report is kept from the people of this country we are not in a position to judge of it. Some hon. gentlemen say, why should we be allowed to consider it? If hon. gentlemen will take the pains to go into the library and turn up the militia reports submitted to this House from year to year, they will find that certain recommendations are made in all those reports by the General Officer Commanding, the deputy minister and other officers, which are not carried out. Some are carried out and some are not carried out. In view of that fact, is there any harm in the commander of the forces having his suggestions embodied in the report? If parliament does not feel disposed to adopt any of them, well and good. The majority in parliament have that power. I think this unfortunate occurrence is greatly to be regretted, and nobody will regret it more than the militia of this country.

I am called on to-night to cast a vote for the amendment moved by the hon. leader of the opposition. I have heard that amendment criticised. I have heard the question asked, why have you not moved a resolution condemning the government for dismissing Lord Dundonald? I suppose that when Lord Dundonald made his statement in Montreal, he knew what he was doing. I presume that in making that statement, he felt that the breach would be made so wide between the government and himself that it would be utterly impossible for him to remain in the service any longer. Therefore it is not for the leader of the opposition to move in respect to that. What has he moved? That:—

> The selection and appointment of officers in the militia should be made without regard to party political considerations which if permitted to exercise an influence will prove disastrous to the efficiency of the force.

I am glad to support that part of this amendment,

> That while the Minister of Militia is charged with and responsible for the administration of militia affairs the General Officer Commanding is by law charged under the orders of His Majesty with the military command and discipline of the militia and with the duty of recommending to the Minister of Militia fit and proper persons for appointment to commissions therein.

Surely there can be no objection to that, because, if we are to believe the Minister of Agriculture, that is exactly his idea, though I am sorry to say that he has departed from it. Then we have this important part:

> That the conduct of the Honourable Sydney Fisher, Minister of Agriculture, in interfering with the commanding officer of the Thirteenth Scottish Light Dragoons while that officer was engaged in the duty of selecting his subordinate officers for the approval of and for recommendation by the General Officer Commanding; and the action of that minister in interposing party political influence between the General Officer Commanding and his officers and in requiring recommendations and appointments to be made or disallowed from party considerations, deserves and should receive the censure of this House.

I can support that because the hon. gentleman (Mr. Fisher) has himself admitted that he acted in a partisan manner in the formation of this corps in the eastern townships. Then, finally:

> The House regrets that this unwarrantable interference has been approved by the government, and that it not only has unduly delayed the organization of the regiment, but has culminated in depriving the militia of Canada of an experienced and distinguished commanding officer.

Sir, I regret the latter portion of this amendment exceedingly, in view of the treatment meted out to that distinguished gentleman by the Minister of Agriculture, who had no more right to interfere with the selection of those officers and with Colonel Smart, even in a non-partisan sense, than I or any other member of this House had. When he interfered without consulting the head of the Militia Department or the commander of the forces, he acted as this amendment says, in a partisan spirit, and in a way that cannot be justified by any one who has the welfare of the militia of this country at heart.

Mr. E. HACKETT (West Prince). Mr. Speaker, before you put the question, I would like to ask the hon. Minister of Agriculture, who it appears is the Minister of Militia, has any trouble arisen in Prince Edward Island with regard to the militia camps?

Mr. FISHER. I cannot give the hon. gentleman any answer.

Mr. HACKETT. Well, where is the Minister of Militia ? Who is the Minister of Militia in this country ? I have here a clipping from the Charlotfetown 'Daily Patriot,' the organ of the government in the province of Prince Edward Island, published on the 24th of June, 1904, which says :

THE MILITIA CAMPS.

Militia orders were received in this city yesterday prohibiting the use of Victoria barrack grounds as formerly for militia camp. It had been represented to the department that the stores and buildings were in probable danger of fire in having such a large body of men encamped in the immediate vicinity. It had been also represented that the latrines were offensive to the families in the vicinity.

I need not read the whole of the document, but want some information from the government. The article goes on :

We might say, as far as the latrines are concerned, they are inspected daily by the medical officer, field officer and captain of the day and specially attended under the supervision of the quartermaster. Up to this date there has never been a single complaint on this matter.

On receipt of the communication from Ottawa, forbidding the holding of the camp, to Colonel Moore, D.O.C., Colonel Stewart immediately called a meeting of his officers, who, after learning the situation, wired as follows:

Charlottetown, June 21, 1904.

To Messrs. D. A. MacKinnon and H. Haszard, M.P.'s, Ottawa.

Letter dated June 16th from A.G. to-day, refused use of barrack square militia camp next Tuesday. Contracts already let for supplies, as orders were issued to encamp usual place. In camp there seventeen years. No other grounds available this late date. Building safe from fire. Latrines never offensive to families. Adjutant General visiting here last year said, 'Ideal place for camp.' Scenic grounds. See Militia Department. Very urgent; wire.

(Sgd.) D. STEWART,
Lieut.-Col.
JAMES WARBURTON,
Sergt.-Major.
CAPT. D. L. HOOPER,
Paymaster.
M. A. ALLAN, Capt.,
Quartermaster.
V. L. GOODWILL, Capt.,
Adjutant.
A. J. B. MELLISH, Capt.,
No. 1, Co., Ch'town.

Last evening Colonel Stewart received the following reply :—

Ottawa, June 21, 1904.

To Lieut.-Colonel Stewart, Charlottetown.

Telegram received. Will see minister soon as can find him.

(Sgd.) D. A. MacKINNON.

Where was the minister that it was so difficult to find him ? Mr. D. A. MacKinnon, the member for East Queen's, telegraphed to Lieutenant-Colonel Stewart that as soon as he could find the minister he would let him know the facts. This paper, the Charlottetown 'Patriot' goes on to say :

This morning the Charlottetown Board of Trade sent the following telegram :—

To Messrs. MacKinnon and Haszard, M.P.'s, Ottawa.

Board of Trade strongly urge that business men and all citizens are particularly interested in having camp at Charlottetown.

N. RATTEBURY,
President,
J. A. MESSERVEY,
Vice President,
GEORGE E. HUGHES,
GEORGE E. AULD,
W. W. STANLEY,
F. L. HASZARD,
BENJAMIN ROGERS,
ALEXANDER HORNE,
T. B. RILEY,
W. F. TIDMARSH,
T. HANDRAHAN.

It will thus be seen that there is really nothing in the objections raised forbidding the holding of the camp in the barrack square. Further, the leading business men of Charlottetown, on both sides of politics, as well as the citizens generally are determined that the camps shall not be removed. We are at a loss to know who has dared to raise so many objections to our militia camps this season. We are convinced that it cannot be a friend of our people and a well wisher to our city. The militia is regarded, and rightly so, as an attraction and a financial benefit to the city and citizens. Charlottetown being the capital of Prince Edward Island, it and it alone is the proper place for military headquarters and annual camp. The grounds as Lord Aylmer said 'are ideal' and our people will not submit to have the camp removed and the militia to a certain extent disorganized on so flimsy an excuse.

Might I ask the Prime Minister what answer he has to give to this ? Our young men in Prince Edward Island—I speak as an old militiaman myself—turn out each year in camp to the number of four or five hundred. Our young men also have shed their blood on the yellow veldts of South Africa in defence of the empire, and I would ask what reason is there now why they should not be allowed to camp on the barrack square as they have been doing for the past seventeen years? Sir, we have had charges made this evening against Lord Dundonald. Well, I think that the hero of the relief of Ladysmith can take care of himself. We have also had charges made against the gallant Colonel (Mr. Sam. Hughes) who crossed the ocean to fight for his country. The man with a small mind and smaller brain, who expects to be made a judge in Nova Scotia, made a personal attack on this hon. gentleman who so gallantly fought for his country. Where was the hon. member for Hants (Mr. Russell) when the hon. member for Victoria (Mr.

Sam. Hughes) was in South Africa upholding the cause of the empire ? Where was that little man at that time ? He was sitting down quietly by his fireside, drawing his pay as a professor at Dalhousie college and awaiting quietly until the time would come when, like the giant from Guysboro, he would receive a judgeship. It is evident that I cannot get any information from the government and at this late hour I do not wish to prolong discussion, but I desire to call the attention especially of the Minister of Agriculture to this fact, that a camp has not been allowed to be held this year on the barrack square at Charlottetown as it has been in the last seventeen years.

House divided on amendment of Mr. R. L. Borden.

YEAS :

Messieurs

Armstrong,	Hughes (Victoria),
Avery,	Ingram,
Barker,	Johnston (Cardwell),
Bell,	Kidd,
Bennett,	Lancaster,
Birkett,	LaRivière,
Blain,	Lennox,
Borden (Halifax),	Maclean,
Brock,	Morin,
Broder,	Northrup,
Bruce,	Osler,
Carscallen,	Pope,
Casgrain,	Porter,
Clare,	Rosamond,
Cochrane,	Sproule,
Culbert,	Taylor,
Donnelly,	Thomson (Grey),
Earle,	Tolton,
Hackett,	Vrooman,
Halliday,	Wilmot,
Henderson,	Wilson.—42.

NAYS :

Messieurs

Angers,	Lavergne (Montmagny),
Archambault,	Law,
Bazinet,	LeBlanc,
Bickerdike,	Lewis,
Blanchet,	Loy,
Borden (Sir Frederick),	Macdonald,
Bourassa,	Mackie,
Bourbonnais,	MacKinnon,
Brodeur,	Macpherson,
Bruneau,	McCool,
Bureau,	McGugan,
Calvert,	McLennan,
Campbell,	Malouin,
Carbonneau,	Marcil (Bonaventure),
Champagne,	Matheson,
Christie,	Mayrand,
Copp,	Meigs,
Costigan,	Mignault,
Delisle,	Monet,
Demers (Lévis),	Mulock (Sir William),
Demers (St. John),	Murray,
Douglas,	Oliver,
Erb,	Parmelee,
Ethier,	Paterson,
Fielding,	Préfontaine,
Fitzpatrick,	Proulx,
Fortier,	Puttee,
Gallery,	Reid (Restigouche),
Gauvreau,	Riley,
Geoffrion,	Rivet,
Gervais,	Roche (Halifax),
Gibson,	Ross (Ontario),
Girard,	Ross (Rimouski),
Harwood,	Ross (Victoria, N.S.),
Haszard,	Russell,
Hughes (King's, P.E.I.),	Scott,
Hyman,	Sifton,
Johnston (Cape Breton),	Sinclair,
Lapointe,	Stewart,
Laurier (Sir Wilfrid),	Sutherland (Essex),
Laurier (L'Assomption),	Tolmie,
Lavergne (Drummond & Artha.),	Tucker.—84.

PAIRS :

Ministerial.	Opposition.
Kendall,	Roche (Marquette),
Maclaren (Huntingdon),	Ball,
Talbot,	Ganong,
Gould,	Clarke,
Power,	Calvin,
Tobin,	Léonard,
Johnston (Lambton),	Richardson,
Brown,	Daniel,
Smith (Vancouver),	Clancy,
Wright,	Lavell,
Sutherland (Oxford),	Haggart,
Emmerson,	Fowler,
Harty,	Reid (Grenville),
Cowan,	Pringle,
Davis,	Hale,
Beith,	McGowan,
Holmes,	Gilmour,
Morrison,	Robinson (Elgin),
Stephens,	Kaulbach,
Marcil (Bagot),	Monk,
Grant,	Roddick,
McIsaac,	Smith (Wentworth),
Lang,	Alcorn,
Heyd,	Kemp,
Guthrie,	MacLaren (Perth),
Ross (Yukon),	Boyd,
Wade,	Gourley,
Thompson,	Ward,
Lovell,	Kendry,
Cartwright,	Tupper,
Wallace,	Tisdale,
Dyment,	McCormick,
Logan,	Lefurgey,
McEwen,	Sherritt,
McColl,	McIntosh,
German,	Seagram,
Dugas,	Tarte,
Galliher,	Robinson (Northumberland),

Amendment (Mr. R. L. Borden) negatived.

Mr. CALVERT. Mr. Speaker, I beg leave to call you attention to the fact that the Minister of Agriculture has not voted.

Hon. SYDNEY FISHER (Minister of Agriculture(. Although, on such an occasion it would have been quite consonant with the practice of the House that I should vote, yet, as my name is mentioned in this motion I prefer not to participate in the division.

Motion agreed to, and House went into Committee of Supply.

Progress reported.

Sir WILFRID LAURIER moved the adjournment of the House.

Mr. R. L. BORDEN (Halifax). What business may we expect for Monday ?

The PRIME MINISTER. On Monday we will go into Supply, taking up the estimates of my hon. friend the Postmaster General (Sir William Mulock).

Motion agreed to, and House adjourned at 1.40 a.m. Saturday.

HOUSE OF COMMONS.

MONDAY, June 27, 1904.

The SPEAKER took the Chair at Three o'clock.

TEMISCOUATA RAILWAY ACT AMENDMENT.

Hon. CHAS. FITZPATRICK (Minister of Justice) moved for leave to introduce Bill (No. 144) to amend the Act of the present session respecting the Temiscouata Railway Company.

Mr. INGRAM. Would the hon. gentleman kindly explain this Bill ?

Mr. FITZPATRICK. This Bill is introduced at the request of the secretary of the Railway Committee of the House of Commons to supply an omission that occurred in connection with the Bill. The name of the Great Northern Railway Company was omitted in one of the paragraphs. The paragraph is intended to give power to the Temiscouata Railway Company to sell its charter to a certain company. The Bill as introduced originally contained the name of the Great Northern Railway Company, which has been omitted. Mr. Hartney writes me a letter which I will read to the House, and which is as follows :

Ottawa, 20th June, 1904.

Hon. C. Fitzpatrick,
Minister of Justice.

Dear Sir,—Inclosed is a draft Bill to amend the Act of the present session respecting the Temiscouata Railway Company, the object of which is to correct an error made by myself. It will be quite in order if so desired to introduce this Bill without notice and to pass it through the several stages at one sitting.

Yours respectfully,
(Sgd.) E. P. HARTNEY.

I do not think it necessary to deal with the Bill in that way, but I simply introduce it to rectify this error committed by Mr. Hartney.

Mr. R. L. BORDEN. Probably it would be better to introduce the Bill, give it its first reading, and then to-morrow there would be no difficulty about passing it through all its stages.

Mr. FITZPATRICK. It is not printed, any way.

Motion agreed to, and Bill read the first time.

ANIMAL CONTAGIOUS DISEASES ACT, 1903—AMENDMENT.

Hon. SYDNEY FISHER (Minister of Agriculture) moved for leave to introduce Bill (No. 145) to amend the Animal Contagious Diseases Act, 1903.

Mr. R. L. BORDEN. Would the hon. gentleman (Mr. Fisher) kindly explain the purport of this Bill ?

Mr. FISHER. This is a very short Bill to add one disease to the list of diseases held to be contagious, and which is known as Maladie du coit, or equine syphilis, which has been found in the Northwest Territories, and which is brought in from the United States. We require to take drastic measures to try and stamp it out. The Bill also goes on to authorize us, within limits, to pay compensation in case of the slaughter of horses, the present Act only providing for compensation in case of the slaughter of cattle.

Motion agreed to, and Bill read the first time.

ALASKAN BOUNDARY—INQUIRY FOR PAPERS.

Mr. R. L. BORDEN. Mr. Speaker, before the Orders of the Day are called, I would like to remind the right hon. Prime Minister (Sir Wilfrid Laurier) that the Alaskan boundary papers, which were promised last week, have not been brought down.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). They are in the hands of the printer now.

GRAND TRUNK PACIFIC—EMPLOYMENT OF ALIENS.

Mr. R. L. BORDEN. I would like to ask also whether or not the report of Judge Winchester in regard to the matters which have been committed to him for investigation has been received or is likely to be received at an early date ?

Sir WILLIAM MULOCK. The report has not been received, nor am I in a position to state to-day how near the inquiry is to completion. I understand that Judge Winchester will be in Ottawa on Wednesday of this week. I received a letter from him this morning stating that he is at North Bay, and on Wednesday I will be in a position to ask him when we may expect his report.

YUKON—TREADGOLD COMMISSION.

Mr. R. L. BORDEN. I would like also to inquire whether or not the report of the commission to investigate certain matters

connected with concessions in the Yukon has been received ; and, if not, whether we could have any more definite information than that already afforded as to the date when it will be received ?

Hon. CLIFFORD SIFTON (Minister of the Interior). I have no information further than what I stated to the House when the hon. gentleman spoke about it before.

Mr. R. L. BORDEN. I might suggest that it would be desirable to expedite it as far as possible. The commission was issued nearly a year ago. Matters involved in this investigation were debated in the House, I think, quite a year ago, and as we hope the session will not last many weeks longer, it is desirable to have the report brought down as soon as possible. I understand that the investigation, as far as the taking of evidence is concerned, was concluded a great many months ago, and that some months have elapsed since a new commission was issued to Mr. Justice Britton. I would think that there is no reason why the report of the commission should not be in the hands of the government at the present time, but if the delay is due to the fact that Mr. Justice Britton is prevented from giving this matter his attention by reason of other public duties, it only affords an additional argument to indicate that these matters should not be committed to gentlemen who are so otherwise engaged.

SEIZURE OF BINDER TWINE—INQUIRY FOR RETURN.

Mr. JAS. CLANCY (Bothwell). Mr. Speaker, before the Orders of the Day are called, I would like to ask the government when we may expect the papers ordered in the early part of last week in relation to the seizure of binder twine ?

Sir WILFRID LAURIER. I am sorry that I cannot give any information to-day to my hon. friend (Mr. Clancy). I will reserve it until to-morrow.

SECOND READINGS.

Bill (No. 143) respecting the New Brunswick Southern Railway Company.—Mr. Gibson.

Bill (No. 141) for the relief of Eliza Robertson.—Mr. Macdonald.

QUESTIONS.

I.C.R.—MESSRS. LAPLANTE AND BEAULIEU.

Mr. GAUVEREAU asked :

1. Is the Minister of Railways and Canals, or any of the officers of his department, aware that two employees in the Intercolonial Railway yards at Rivière du Loup—Messrs Laplante and Beaulieu—have undergone a first investigation before Mr. Brassard, chief train-despatcher at Rivière du Loup, on the order of Mr. Dubé, the superintendent, and that they were exonerated from all blame ; that Mr. Dubé, the superintendent, had them subjected to a second investigation, and that he found them guilty and suspended them from work, and that after a third investigation before Mr. J. E. Price, general manager, they were declared not guilty, and reinstated in their position ?

2. If not, is it the Minister of Railways and Canal's intention to procure a complete report of all that has taken place at Rivière du Loup, in order to discover which is at fault, Mr. Brassard, Mr. Dubé, or Mr. Price ?

3. In the affirmative, is it the intention of the department to give such orders as will in future prevent the recurrence of a like embroglio ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

Yes, the minister is aware that Messrs. Laplante and Beaulieu have undergone an investigation before Mr. Brassard, chief train despatcher, who reported to Superintendent Dubé, sending him the evidence, but making no recommendation. Mr. Dubé then reinvestigated the case, and suspended Laplante and Beaulieu for six days, and ordered them to the train service. A third investigation was held by Mr. Price, who endorsed the suspension, but reinstated the men to their former places in the yard.

RAILWAY PASSENGER RATES.

Mr. MACLEAN—by Mr. Bell—asked :

1. What railway companies have filed standard passenger tariffs, as required by section 264 of the Railway Act ?

2. Is any railway charging over three cents a mile pessenger rate in Ontario, Quebec, or the maritime provinces ?

3. If so, what are these companies ?

Hon. H. R. EMMERSON (Minister of Railways and Canals). I will have to ask that this question stand, as I have not the information regarding the latter part of it.

Mr. SPEAKER. Stands.

Mr. BELL. The answer to this question has a bearing upon Bill (No. 6) which is the first order of the Railway Committee to-morrow, and it would be important to get the information if possible before then.

Mr. EMMERSON. The first part of the question could be answered, but as to the rates charged by the different railways in all these provinces we will have to secure that information, as I am informed by the officers of the department. I will ask the deputy and if he can get it I will be happy to bring it down.

CHAMBLY CANAL—CONTRACT FOR STONE.

Mr. MONK—by Mr. Ingram—asked :

1. Has the contract for the quarry stone and field stone, required for the needs of the Chambly canal for the year 1904, been given ?

2. Is it the government's intention to call for tenders for the quantity of crushed stone

required for the repairs to the pier of the Chambly canal, and when will such tenders be called for ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

1. The contract for quarry and field stone required on the Chambly canal for the present year has not yet been awarded.

2. It is not the intention of the department to call for tenders for crushed stone for repairs to pier on the Chambly canal, as repairs to pier are not required.

P.E.I.—WINTER MAIL SERVICE.

Mr. LEFURGEY—by Mr. Hackett—asked :

1. How many special trains were run by the Prince Edward Island Railway, carrying mails in connection with the 'Stanley' and 'Minto,' during the winters of 1901-1902, 1902-1903, 1903-1904, stating each year separately ?

2. What rates were paid for carrying the mails by these trains ?

3. How many special trains were run by the New Brunswick and Prince Edward Island Railway, between Sackville and Cape Tormentine, carrying mails in connection with the steamer 'Stanley,' during the winters of 1901-1902, 1902-1903, 1903-1904, stating each year separately ?

4. What rates were paid for carrying the mails by these trains ?

Hon. Sir WILLIAM MULOCK (Postmaster General) :

1. 1901-02, 119 special trains ; 1902-03, 31 special trains ; 1903-04, 142 special trains.

2. 1901-02, $1 per running mile ; 1902-03, rate not yet adjusted ; 1903-04, 50 cents per running mile.

3. 1901-02, 100 special trains ; 1902-03, 31 special trains ; 1903-04, 19 special trains.

4. The New Brunswick and Prince Edward Island Railway, in addition to the regular running mile rate paid for the conveyance of local mails, is paid $12 per round trip between Sackville and Cape Tormentine, N.B., for the conveyance of Prince Edward Island mails.

SALARY OF JOSEPH E. GOBEIL.

Mr. BRODER asked :

1. What was the salary paid to Joseph E. Gobeil, in the Department of Public Works, previous to the year 1897, and what were his duties ?

2. What salary has been paid to Joseph E. Gobeil since his appointment as private secretary to Mr. Charleson, in the Yukon, and what were his duties there and in Ottawa ?

3. Do persons doing similar duties to those performed by him receive an equal salary ; and under what regulation or statute does he qualify to receive such salary and advancement ?

Hon. CHARLES HYMAN (Acting Minister of Public Works) :

1. $900 as French and English stenographer.

2. $2,400 as secretary and general assistant.

3. Mr. Joseph E. Gobeil was selected by Mr. Charleson, in 1899, to accompany him on the construction of telegraph lines in the Yukon. Mr. Charleson was authorized by the then minister to arrange about assistance required and the salaries, which he did as authorized.

INLAND REVENUE LAW—VIOLATIONS.

Mr. MACPHERSON asked :

1. How many persons have been found guilty of violation of the Inland Revenue Law relating to the manufacturing of tobacco, in and for the district of Montreal, since the 1st of July, 1903, and have been condemned since such date for such violation by the courts of the said district ?

2. How many parties have been found guilty of such violation since the same date, and have been adjudged by the Department of Inland Revenue to pay fine ?

3. What are the names of those parties ?

4. What amount of fines has been paid in each case ?

Hon. L. P. BRODEUR (Minister of Inland Revenue):

1. None.
2. None.
3. None.
4. None.

PUBLIC WORKS—WAGES PAID TO LABOURERS.

Mr. BRUNEAU asked :

What salary was paid per day to the day labourers who were employed by Mr. R. MacDonald, in virtue of his contract with the Department of Public Works, on the construction of the Three Rivers wharf ?

Hon. CHARLES HYMAN (Acting Minister of Public Works) :

$1.25 per day of ten hours.

Mr. BRUNEAU asked :

What salary is paid per day to the day labourers in the employ of the Montreal Harbour Board ?

Hon. CHARLES HYMAN (Acting Minister of Public Works) :

In the absence of the Minister of Marine and Fisheries I wish to say that the minimum wage paid to day labourers is $1.50 per day.

Mr. BRUNEAU asked :

What salary is paid per day to the day labourers who work at the Cascades, on the Soulanges canal ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

$1.50 per day is paid day labourers on the work at Cascades on the Soulanges canal.

Mr. BRUNEAU asked :

What salary was paid per day to the day labourers who worked last winter at the building of the ice-breakers at St. Anne de Sorel ?

Hon. CHARLES HYMAN :
$1.25 per day.

Mr. BRUNEAU asked :

What salary was paid per day to the day labourers who worked on the repairs to the Ottawa Post Office ?

Hon. CHARLES HYMAN :
Labourers are paid at the rate of 19 4-9 cents per hour.

Mr. BRUNEAU asked :

What salary was paid per day to the day labourers who worked at the construction of the booms and piles for the driving of timber on the St. Maurice River ?

Hon. CHARLES HYMAN :
$1.25 per day.

Mr. BRUNEAU asked :

What was the salary paid per day to the day labourers who were employed by Messrs. Poupore & Company, in virtue of their contract with the Department of Public Works, on the construction of the Sorel wharf ?

Hon. CHARLES HYMAN :
$1 per day of ten hours.

Mr. BRUNEAU asked :

What salary is paid per day to the day labourers employed on the Lachine canal ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :
$1.50 per day is paid day labourers on the Lachine canal.

Mr. BRUNEAU asked :

What salary is paid per day to the day labourers who work at the St. Ours lock ?

Hon. H. R. EMMERSON :
$1.50 per day is paid day labourers at the St. Ours lock.

SUPPLY—RESIGNATION OF THE AUDITOR GENERAL.

Hon. W. S. FIELDING (Minister of Finance) moved that the House go into Committee of Supply.

Mr. R. L. BORDEN (Halifax). Before you leave the chair, Mr. Speaker, I would like to bring to the attention of the government, certain matters which are mentioned in the press in regard to the Auditor General. I observed in the Hamilton 'Times' the following paragraph :—

The Auditor General is not so anxious for superannuation that he is willing to unconditionally resign. He wants ten years added to his length of service. How does that square with his Spartan honesty and integrity in the matter of the public accounts ? Does he want pay without performing service ? Perhaps the next Auditor General would refuse to pass his accounts.

I observe a somewhat similar statement in the Toronto 'Globe' of Saturday last in its Ottawa correspondence. The paragraph is as follows :

The Auditor General makes his application for superannuation conditional upon adding ten years to his length of service. The government are doubtful whether this can be done.

Outside of the immediate officers of the House, the Auditor General is more than any public servant an officer of this parliament, and if there is any document in the possession of the government such as is referred to I would think it desirable that it should be laid on the table of the House. I rise now for the purpose of inquiring whether it is true that the Auditor General's resignation is made conditional in the manner mentioned in these journals which are supposed to be in the confidence of the government. I wish also to ask whether or not the government has any objection to laying on the table of the House a copy of the Auditor General's letter of resignation, if such a letter exists? Although the Auditor General is a servant of parliament, he, of course communicates with parliament only through the government, and it is only in this way that we can ask to have placed before us the information to which I think the House is entitled. While I am on my feet I may say that I do not think there is anything in the conduct of the Auditor General in the past which justifies the somewhat sneering remarks in one of the paragraphs which I have just read. Whatever else we may say about the Auditor General ; however much we may differ in our appreciation of the attitude which he takes ; I am sure all of us will agree that on all occasions he has endeavoured to do that which he thought right, and to do it regardless of consequences or persons.

I may also say that I believe I myself have come in for a little criticism in regard to this gentleman, because I understand that I as leader of the opposition, have been accused of not offering to the Auditor General that support to which he is undoubtedly entitled from the opposition. I do not regard that criticism as quite merited, because I think that on all occasions on which I have had occasion to discuss the work of the Auditor General in the House, I have been in a position to support him, and I have supported him. I may say that so far as this session is concerned I have taken even more pains than usual to have the work of the Auditor General appreciated by the opposition, because at the commencement of the session I did what I have never done before, viz. : I divided his report upon the various departments of the public service into about twelve different divisions and I allotted each one of these divisions to a gentleman on this side of the House who was to associate others with him, and in this way to form a committee which would have entrusted to it the duty of paying particular attention to special portions of the Auditor General's Report.

Probably that will be conceded on all sides of the House as no more than a reasonable precaution, because it is the duty of the opposition in performing its work of criticism to have regard to the report which the Auditor General makes upon the finances of the country as a basis for that criticism.

I may also mention in this connection the contract relating to the Cornwall canal, as I see that an animadversion has been made not only with regard to the conduct of those on the government side of the House, but also with regard to those on this side of the House. It seems to have been apprehended in some quarters, that there has been an indisposition to discuss that matter. So far as I am concerned that has been furthest from my thoughts, and, I believe, from the thoughts of every gentleman on this side of the House. However, I for one, believe that the proper time to discuss the matter which is involved in the Auditor General's Report with regard to this contract is when the estimates of the Departments of Railways and Canals are reached. It is a matter which cannot be properly and thoroughly discussed without that cross-examination which can only take place in Committee of the Whole House. When the Auditor General's Report was brought to my attention somewhat earlier in the session, I so informed gentlemen who were prepared to discuss it, and who are prepared to discuss it still. Nevertheless, when the matter seemed proper to be mentioned in connection with the resolution of my hon. friend from Simcoe (Mr. Lennox), and when he suggested to me his proposal to discuss that particular contract in connection with the observations which he desired to make with respect to the proposed amendment of the Audit Act, I suggested to him that while the main discussion could doubtless be more advantageously carried on in Committee of the Whole House, yet there was not in my view any reason why he should not also discuss it on that particular occasion, although I did not believe, as I then told him that that discussion could be as effective as it could be if carried on at a later stage upon the estimates. I would simply like to say further, that as we have been engaged very largely during the present session in discussing a very important matter relating to transportation in this country; a discussion which began shortly after the opening of parliament, and did not terminate until the 30th of May; and as during that time that particular subject stood first on government orders, there was not in my opinion any very advantageous opportunity of discussing the matter to which I have referred. For that reason it has not been discussed more elaborately than has already been the case on the motion of my hon. friend for South Simcoe. I would like also in this connection to suggest to the Prime Minister that, as the session is advancing—we hope at least that it is—to a termination, and as the estimates of the Minister of Railways and Canals have not yet been brought before the House, and as it is upon those estimates that we can best discuss that particular contract, and perhaps one or two other matters, it might not be out of place to ask that at the earliest convenient opportunity the government would be good enough to take up the estimates of the Minister of Railways and Canals, in order that this matter, about which a good deal has been said in the public press, might be discussed, and discussed in a way which I think will be found the most effective.

Hon. W. S. FIELDING. With regard to the latter part of my hon. friend's remarks, though we are not able to name a particular day, yet I agree with him that we may all regard the session as being pretty well advanced, and the estimates of the Minister of Railways and Canals will be taken up at a very early day. Beyond that, I presume that all he desires is an answer to his question in respect to the alleged resignation of the Auditor General. The Auditor General has tendered his resignation accompanied by an application for superannuation. He has asked that an additional term of years be added to his period of service, but I do not understand that he makes that conditional to the acceptance of his resignation. His resignation has not been accepted. There is no objection to bringing down his letter of resignation, and I will lay it on the table to-morrow.

Motion agreed to, and House went into Committee of Supply.

Post Office Department—salaries, $307,429.50; contingencies, $41,675.

Hon. Sir WILLIAM MULOCK (Postmaster General). It will be observed that there is an increase in the item of salaries of $9,603.50, and a reduction in the item of contingencies of $24,339.15. The increase in the item of salaries is made up as follows: one additional chief clerk, $1,900; increase in provisional allowance, $1,330; two increases of $78.25 each, $156.50; 274 increases of $50 each, $13,700; making a total increase of $17,086.50; from which are to be deducted the difference between salaries of clerkships which became vacant and salaries of persons promoted or appointed to vacancies, $1,494; and nine vacancies in the packer class, $5,989; total deductions, $7,483, making a net increase of $9,603.50. The committee will remember that last year an Act was passed enabling the department to transfer to the permanent list a number of temporary employees. Acting upon that power there were transferred a number of writers from the temporary class to the permanent class. This accounts for the reduction in the contingencies this year of $24,339.15. Nearly all the temporary writers were transferred

from the temporary class to the position of third-class clerks, and therefore their pay is provided for in the item of salaries. Thus there is an increase in the salary outgoings and a reduction in the contingency outgoings.

Mr. BIRKETT. I would like to ask the Postmaster General if the bonus which was promised to the employees of the Ottawa post office soon after the building was destroyed by fire, is included in this item ?

Sir WILLIAM MULOCK. The amount has not yet been paid. It was found that there was no vote of last year that would cover it, and I would ask my hon. friend to reserve his inquiry until the supplementary estimates are brought down. These are the estimates for next year, and it is not improbable that an item to that effect will appear in the supplementary estimates for the current year.

Mr. BIRKETT—Is it a fact that it will appear ? The promise was made that it would be paid, and that promise obtained a good deal of notoriety.

Sir WILLIAM MULOCK. Immediately after the fire, not being aware that the amount was not covered by the contingencies, I instructed the deputy minister to pay it. The men behaved splendidly. The fire took place in the evening, and although the building was in conflagration and was threatened with destruction, the mails went out at half past ten as usual. There was no interruption of the mail either that night or the next morning. The mails were delivered as if there had been no fire whatever. I felt that my colleagues would warrant me in making that small recognition of the services of the staff, and I instructed the deputy accordingly. A short time ago he informed me that on account of there being no item in the estimates to cover the payment, it would be necessary to provide for it in the supplementary estimates, and my hon. friend may depend upon it that there will be an item to that effect.

Mr. BIRKETT. I do not find any fault with it. I only find fault that the employees have not got it yet.

Sir WILLIAM MULICK. If we had made greater progress this session—I am not saying whose fault it is—the supplementary estimates would have been brought down and passed by this time.

Mr. J. D. REID. A new chief clerk is to be appointed. May I ask who is to receive this appointment ?

Sir WILLIAM MULOCK. This is intended for E. H. Laschinger.

Mr. J. D. REID—I see that in the item for the superintendent of the Money Order branch there is a reduction from $2,600 to $1,950.

Sir WILLIAM MULOCK. $2,600 was the salary of the late superintendent. When he retired, Mr. Rowan was promoted to his place, but of course did not begin with the maximum salary.

Mr. CLANCY. How many temporary clerks have been put on the permanent list?

Sir WILLIAM MULOCK. Fifty writers and twenty packers have been transferred from the temporary list to the position of third-class clerk.

Mr. CLANCY. Have they had any increase ?

Sir WILLIAM MULOCK. Their increases are provided by law and are ample, and they get what the law allows.

Mr. CLANCY. We are compelled to ask this question because the hon. gentleman has been in the habit of disregarding the law and it is gratifying to find that he has been finally induced to comply with it. It might be as well now to call attention to a campaign sheet which he, like his other colleagues, has embodied in his report. In a table giving the expenditure and revenue, he starts with what he is pleased to call a deficit in 1896 and shows a surplus for 1903 of $395,268. The hon. gentleman knows that he has no such surplus. He knows that the surplus he has is $292,664. Why did the hon. gentleman select 1896 as the year of comparison ?

Sir WILLIAM MULOCK. The report has been published in its present form for years. That form was adopted several years ago, in 1897. The late government went out of office before the report for that year had been signed by the then minister, and it was for me to sign it and present it to parliament. I did not sign it until the accounts had been audited and then I signed. The financial results set forth in that report, so certified, is the beginning of each annual tabulated statement. I am not discrediting previous annual statements, I am not making any comment on them one way or another, they may be correct or not, but the auditor did disclose an unsound system applicable I think to previous years. At all events they found a state of affairs applicable to the year 1895-6, on which they made their findings in a report which was presented to parliament. The report therefore of 1895-6 constituted the beginning of this sheet which contains most useful information and information which I venture to say no Postmaster General hereafter will withhold. The reform here inaugurated will be continued from session to session by succeeding Postmasters General, whether the facts are to the credit or discredit of the administration of the day, just as the public accounts, showing the revenues and expenditures, the deficits and surpluses of the governments, are set

forth in a tabulated statement so that at a glance a person may obtain a correct idea as to the actual financial results of the operations of a department.

The report states that :

The total net revenue of the Post Office from all sources, excluding that from the Yukon and Atlin districts, shows an excess over the previous year of $478,001.65, and the total gross revenue exceeded that of the previous year by $523,339. The expenditure of the department, excluding that of the Yukon and Atlin districts, exceeded that of the previous year by $87,842.68.

Then at page A—4, my hon. friend will find that the total net revenue from all sources including that from the Yukon and Atlin districts shows an excess over the previous year of $478,001.65, and total gross revenue exceeds that of the previous year by $523,329. The expenses of the department, excluding that of the Yukon and Atlin districts exceeds that of the previous year by $87,842.68. The hon. gentlemen will see that the revenue from the post office in the Territories named is $31,704.76, and the expenditure from under the expenditure column is $134,318.84.

Deducting, therefore, the revenue of $31,704.76 from the expenditure of $134,318.84 leaves a deficit on the workings of the post office in the Yukon and Atlin districts of $102,614.08.

Last year my estimates were passed after the close of the fiscal year 1902-3, and I therefore gave these figures to parliament. I stated then that the financial results of the year were, speaking without giving the exact figures—they will all be found in the 'Hansard'—that we had balanced up our accounts for the year, and that including a loss on the Yukon of $102,000, the department left in the treasury for the Consolidated Revenue Fund, $292,000. That is a net clean surplus over and above all expenditures on the service, the Atlin and Yukon surpluses included ; leaving out the loss on the Yukon and Atlin services, the surplus for the year was in round numbers, $395,000. I have no doubt my hon. friend was in the House when I stated that and that he was as gratified then as he is today at this result. My hon. friend asks why we have, heretofore left out the Atlin and Yukon transactions. It is not excluded. It is as plain as it can be made on the face of the report itself, but for the purpose of comparison, service with service, it has heretofore been left out. The old government did not include it in the general summary because they had no Yukon and Atlin services and therefore had no Yukon and Atlin deficits.

Mr. CLANCY. They had the Yukon.

Sir WILLIAM MULOCK. They had no disbursements for the Yukon and Atlin services.

Mr. CLANCY. They had the Yukon.

Sir WILLIAM MULOCK. The old post office department paid out nothing whatever for carrying it on. Any mail service they maintained was carried on without expense to the department, and therefore there could be no item in their accounts in respect to the Atlin and Yukon services. There were no post offices there and no people to speak of only a few scattered people. After the discovery of gold and the rush to the Yukon a short time after this government came into office, then for the first time it became necessary for the government to establish a service there. That service is a losing service, and to all appearances will so continue for many years to come. It was not deemed reasonable for purposes of comparison that that extra service should be included in the general account of the revenue and expenditure of the department, but for the purpose of comparing the results of the service throughout all Canada, as served under the old and the present administration, it was thought best that there should be a separate account kept for the financial results of the Atlin and Yukon services.

Mr. CLANCY. That was a party phase of it.

Sir WILLIAM MULOCK. My hon. friend may have that view, but even now if we deduct the loss on the workings of the Yukon, or in other words amalgamate all the accounts the financial result will show a clean surplus in the treasury of $292,000 for the year ending 30th June, 1903, over all expenditure.

My hon. friend (Mr. Clancy) asked about the increases in the salaries of officials in the department. I think we adopt a very proper procedure in dealing with these annual increases. They are not made automatically but upon the report of the officers that the persons in question are deserving of these increases, and I am pleased to say that the staff of the Post Office Department is so efficient that nearly all of that staff received their increases. I am not now speaking formally but speaking with all sincerity when I say that for efficiency, fitness and industry one could not desire a better staff than the Post Office Department now enjoys, and therefore on their merits and not as a matter of course, these officers have received their increases.

Mr. CLANCY. I am sure the civil service will be gratified that the hon. gentleman has confidence in his own staff. He withheld their statutory increases ; he was suspicious, first as to their efficiency, next as to their fidelity. The hon. gentleman has had these doubts removed from his mind, and now he frankly states that he has a good staff. Well, they have not became suddenly efficient under the hon. gentleman. I scarcely

think that he would care to arrogate so much to himself as that. I doubt that the hon. gentleman who is modest in the extreme almost would go so far as to say that. If they were efficient when he came in what is the relative position between the faithful service from which the hon. gentleman withheld the statutory increase and the service now because the hon. gentleman tells the country that he was mistaken when he thought they were not efficient or loyal to him ? What is the position of the hon. gentleman now ? I ask the hon. gentleman if he stands in an enviable position on that question to-day. I think not. I think the hon. gentleman should have treated them as honest men and as efficient men when he came into the department, and that he should have so treated them until he learned to the contrary. I should have expected the hon. gentleman to have done that. I could not have contemplated that the hon. gentleman would have placed his staff under a ban of suspicion and that he would have acquitted them only after they had proved by experience that they were not inefficient or untrustworthy. I am glad to learn that he has been convinced and that he is now prepared to do them justice. I think there is one thing that he owes them. He owes them the sum that he withheld from them. If they were an efficient staff they were entitled to their statutory increases. But, the hon. gentleman has not had the courage to come down to the House and be quite as frank as he has been this afternoon. He should now say : I have not treated you well, you are an efficient, capable and honest service and I think I ought to reward you. This it not a matter of grace, it is a matter of repairing a wrong that I have done you. There is just one thing more required. The hon. gentleman has made a full confession ; let him make full reparation. That kind of cheap repentance will not do the hon. gentleman very much good. The hon. gentleman ought now go before the country and say : I have withheld the statutory increases from my staff, they are a good staff and I think I shall come down to the House and ask them to justify me in making reparation although it is late. I hope the hon. gentleman will be able to grant the justice to his staff that he withheld in the past.

Sir WILLIAM MULOCK. This subject has been discussed ad nauseum in previous sessions. The question of statutory increases has been threshed out for several years and I do not suppose my hon. friend wants me to go back and discuss matters of five or six years ago. I think it would be better to confine ourselves to the estimate now before the committee.

Mr. CLANCY. I quit agree with the hon. gentleman. I know this is a very unpleasant subject. I admire the hon. gentleman's adroitness. He challenges the admiration of the committee when he refuses to discuss this unpleasant question. I shall excuse the hon. gentleman and allow these unpleasant things of the past to rest. But, I want to touch for a moment upon some of the boasts which hon. gentleman opposite are making in regard to the splendid achievements of the hon. Postmaster General and in regard to what he has done for the people. It is constantly being said, both by the hon. gentleman himself and his friends, that under his administration he has lightened the taxes of the people for the postal service. I do not think the hon. gentleman is entitled to very much credit on this score. The hon. gentleman boasts of a surplus, but let me say that if there is a department connected with the government of Canada in connection with which a minister should claim no credit for having a surplus it is the Post Office Department. In a country as sparsely settled as Canada is, where we should have an efficient service so as to reach the people who are the taxpayers, it ought to be the duty of the hon. Postmaster General to see that the masses of the people have some benefit from the service for which they pay rather than that he should be able to come down to this House with the empty boast that he has a surplus. It would be much more creditable to the hon. gentleman if he were to come down to the House and say : I have given an efficient service. This is a sparsely settled country. Our people have had a better and more frequent service. I believe I as Postmaster General am justified in coming down to this House and saying that I have served the people notwithstanding that there may be a deficit in my department. It would seem to me that there would be no discredit to the hon. gentleman to come down and say under those circumstances that he had a deficit. Why was there a deficit in the past and no surplus ?—simply because under the former government the service was not starved. It was then possible to get a post office established where it did not pay, but the hon. gentleman has his eye now on two sides of the ledger. When an application is made for a post office, the first question the hon. gentleman asks is : Will it pay ? If he thinks it is not likely to pay its way, although it will render good service, the hon. gentleman in most cases refuses the application. I say it is unfair to the ordinary taxpayer of this country to keep in view the possibility of having a surplus in the Post Office Department rather than to keep in view the desirability of giving a good service to the people. I say give a good service to this country. If you determine to give an efficient service you cannot always look for surpluses. The hon. gentleman has added to his service to some extent but he has done so out of the taxes put upon the people. The best evidence of the extent to which the people are taxed is to take the tax

per head. I would like to call the hon. gentleman's attention to this for a moment because this is an important question and I would ask him to be good enough to answer it. When he took office in 1896, before there was any reduction in postage, the revenue per head was 79 cents, or in other words he collected from the people 79 cents per head. From 1889 to 1896, a period of years corresponding with the number of years during which the hon. gentleman has been administering the Post Office Department, we increased the number of post offices, in other words, we gave post offices to sparsely settled districts of a class that the hon. gentleman would not establish unless he were assured that they would be profitable thus insisting that the people who would be served by post offices of this class must pay without receiving any proportionate benefit. The number of post offices was increased from 7,838 in 1889 to 9,103 in 1896 or an increase of 1,265 post offices. Take the same number of years under the hon. gentleman's administration from 1896 to 1903 ; there was in increase of from 9,103 in the former year to 10,150 in the latter year or an increase of 1,047 as against 1,265 or a less number by the same ratio of proportion of 218 post offices. What does that mean on the face of it ? It means that the hon. gentleman starved the service, it means that you can only get post offices in this country that pay or are likely to pay in the near future and that during this period of great expansion that hon. gentlemen boast of the hon. gentleman looked at his ledger and nothing else. But, the hon. gentleman looked at his ledger in another sense by way of taxation. I said that the revenue in 1896 was 79 cents per head. The expenditure was 93 cents per head. Now, let us take the amount at which the hon. gentleman taxed the people in 1903. In 1903 instead of collecting 79 cents per head, the hon. gentleman increased the tax upon the people to $1.03 per head or in 1903 he took from the people 24 cents per head more than in 1896. Let the hon. gentleman now look to that large portion of the country that he is depriving of a postal service and see with what degree of pleasure it must look upon his administration. Now let us see where the hon. gentleman is in regard to his expenditure. The expenditure in 1896 as I have said was 93 cents per head. In 1903, seven years later the hon. gentleman only got it up 4 ecnts more, or to 97 cents per head thereby making it as clear as it is possible to be demonstrated that the hon. gentleman by increasing the postage took the money from the people and failed to give them the service to which they were entitled. It is beyond doubt that the hon. gentleman took 24 cents more per head from the people in 1903 than in 1896 and if he has only increased the expenditure with the money that he has taken from them by 4 cents a head it is not necessary to add anything to the mere statement of the fact. How did the hon. gentleman get that money from the people ? He first decreased the postage between Canada and other countries of the empire and he appeared so ridiculous before the country in charging a higher rate upon domestic postage, that when the absurdity was pointed out to him in this House, he then decreased the domestic rate from three cents to two cents. He did not, however, decrease the postage on post cards. What he did was to unload the postage from those who were entitled to pay it, and who were specially benefited, on to the shoulders of the people generally who were not benefited. The great counting houses ; the commercial concerns——

Mr. COCHRANE. The manufacturers.

Mr. CLANCY. I don't object to the counting houses, or the manufacturers getting a fair benefit, but I do not think they should get any special benefit.

An hon. MEMBER. Trust and loan companies.

Mr. CLANCY. Yes; he reduced the postage for the benefit of the trust and loan companies and the banks and other large institutions who were able to pay. They got the benefit but the people generally got no benefit from this reduction. On the other hand, the Postmaster General increased the postage on newspapers, and on books and packages. I notice also that he increased the rate of postage on packages of seeds, In doing that, I can scarcely imagine that the Postmaster General escaped without a sharp rebuke from the Minister of Agriculture. Then with regard to maps, and prints, drawings, music, photographs, deeds, wills, mortgages, insurance policies, assessment rolls, municipal rolls, and all these things, the rate of postage has been duplicated. What the Postmaster General did was to shift the burden from a class of people who ought to pay, to a class of people who were not benefited. The ordinany farmer of this country has been made a victim of this device of the Postmaster General. Were the country at a standstill the Postmaster General might have some defence, but we are told that there has been the most extraordinary increase of population that has ever taken place in Canada, and if that be true, then the post office revenue per head would accordingly be equalized. The Posmaster General has in one way or the other made the people pay the shot in order to secure his revenue.

Sir WILLIAM MULOCK. The hon. gentleman (Mr. Clancy) has undertaken quite a task when he endeavours to prove to a man who puts a letter in the post office and only pays two cents, that he is paying more than when he had to pay three cents.

Mr. CLANCY. No one said that.

Sir WILLIAM MULOCK. The hon. gentleman said that the workingman has obtained no benefit, but if a workingman or a farmer or any one else, pays only two cents now when he formerly paid three cents, then in spite of all the sophistry which the hon. gentleman can use, that person will come to the conclusion that the rate of postal taxation on him has been reduced 33⅓ per cent. If the workingman or the farmer or any one else, has only to pay two cents to send a letter to some other part of the empire, when he had to pay five cents previously he will also come to the conclusion that he is saving a very substantial sum. My hon. friend (Mr. Clancy) says that I first of all reduced the rate of postage on letters to other parts of the empire, but that the matter looked so ridiculous when brought before this House, that I had to make matters straight by reducing the domestic rate. I would remind him that the Act permitting the reduction in the rate of postage was passed in the session of 1898.

Mr. CLANCY. 1899.

Sir WILLIAM MULOCK. If my hon. friend says 1899, then the statutes are wrong, but as the statutes say that it was passed in 1898, that must guide us in this debate. That Act provided that the reduction in the postal rates should take effect on proclamation by the government.

Mr. CLANCY. Which took effect first ?

Sir WILLIAM MULOCK. The Act was passed first and the proclamation followed. The reduction in the imperial postage rate took place on Christmas day, 1898, and on the New Years' day following, just a week afterwards the other reduction took place. There was no session of parliament during that interval of a week, and therefore the debate which my hon. friend thinks took place never could have occurred.

Mr. CLANCY. The reduction in the domestic postage was not even hinted at until after the other had been arranged when the Postmaster General was in England.

Sir WILLIAM MULOCK. I gave statistics in the session of 1898 showing the probable result of the reduction in postage. I quoted from the experience of the United Kingdom, of the United States, of Germany and of other countries when they reduced their postage, and I argued from those precedents that we would have correspondingly satisfactory results if we reduced the rates in Canada. I expressed the belief that within three years our revenue would recover its former volume. My anticipations were realized. That Act was not passed by this parliament for ornament; it was passed for the purpose of being made effective. Parliament had good reason to suppose when the Bill passed, that in due time, if the finances warranted it, a proclamation would issue and the reduction take place. The hon. gentleman says that he did not know that the proclamation was likely to issue.

Mr. CLANCY. I did not say that.

Sir WILLIAM MULOCK. I venture to say he was the only person in Canada who did not anticipate it. At all events the two reductions took place within one week of each other.

Mr. BELL. The system adopted by the Postmaster General for some years, of excluding the Atlin and Yukon service from his general accounts, places him in a rather favourable position as compared with previous occupants of the position of Postmaster General. It is undeniably a fact that the Atlin and Yukon postal services are far more expensive than in the more settled portions of Canada, and also that the revenue is correspondingly smaller. It should not be forgotten that although previous Postmaster Generals did not have to do with the Yukon and Atlin districts, yet for over twenty years they had to maintain a postal service throughout the Northwest Territories, Manitoba and New Ontario, where the service was very expensive and the revenue comparatively small.

No previous Postmaster General, so far as I know, has devised the excellent scheme, in order to make his accounts look particularly well, of excluding from the general account the accounts relating to those parts of Canada in which the service is more or less unprofitable ; and now that the Yukon is unquestionably a settled part of Canada, in which there is a large city organized, with all the municipal provisions, in which there is an established government, in which there is a settled population which is likely to remain, and in which the postal service is likely to continue to be a part of the regular postal service of Canada for all time. I think it would be as well for the Postmaster General to give up that distinction. Any one who looks through the report can easily see that no concealment is practised, The figures for the Yukon are given a little farther on in the volume from the general statement, which appears on the first page ; but it seems to me that that statement, which sets out by showing a surplus of $395,-268.11, may create a false impression in the mind of some person who from want of training or previous knowledge might not know that if he would look further in the volume he would find that that surplus would have to be reduced by $102,000. To my mind it would be fairer to put that statement on the first page, so that the taxpayer of Canada could see what is the

actual surplus or deficit in the postal service. No matter into how many divisions that might be made, if the whole country were divided into provinces for the purpose of preparing the accounts for this report, some of which would show large surpluses, some large deficits, and some a condition where the accounts would almost balance, the gross result for the whole of Canada would be shown. In the postal service of the country as a whole there is either a surplus or a deficit. So that I think the time has come when it would perhaps be as well to do away with the practice which has prevailed of keeping these accounts separate. To some extent, I suppose, there was a warrant for it in the early period. The service, as I understand, was scarcely a part of the postal service, being carried on by the mounted police. But that is no longer the case. It is now as regularly and permanently a part of the postal service of this country as that of any other part of Canada, and in future I think it would be as well to absorb that account into the general account, so that we may see at once the position in which the postal service of Canada stands. I would like to say a word or two with regard to the deficit of 1896 which the hon. gentleman points out. To my mind that was not exactly the deficit for that year. If I am not mistaken, it included a constantly growing and accumulating deficit.

Sir WILLIAM MULOCK. No.

Mr. BELL. That was excluded and kept entirely separate ?

Sir WILLIAM MULOCK. Yes, altogether.

Mr. BELL. I do not for a moment suggest that the Postmaster General under the present circumstances should be tempted to carry over any accounts, but I would like to ask him what amount of the service which is chargeable to 1903 might go over to 1904. I am aware that it is impossible to prevent all overlapping ; but I presume that the Postmaster General will be able to say, if there is a liability, whether it is any more than that which occurred in previous years, and which must necessarily occur ?

Sir WILLIAM MULOCK. I much appreciate the tenor of my hon. friend's remarks. With reference to the first point to which he alluded, the separation of the accounts, he spoke of the service in the Northwest Territories when that country was being brought under control. The committee has perhaps forgotten it, but I may say that a somewhat similar practice was pursued in that case. At the commencement, instead of keeping the accounts separate, as I have done, there was a special vote taken for Northwest account. That vote was resorted to for payment of a number of services. I do not remember them all, but they included the postal service, and the money voted in that special vote to carry on the postal service was not included in the expenditure of the Post Office Department.

Mr. COCHRANE. Was not the same principle applied when the hon. Postmaster General used the mounted police ?

Sir WILLIAM MULOCK. We did not use them without paying for them.

Mr. COCHRANE. Neither did the other government.

Sir WILLIAM MULOCK. Yes, they did. There was a bulk sum voted for a number of services, including the postal service, as it was not considered fair to charge the various departments with the total expenditure in connection with the carrying on of those services. So much as went for carrying on the postal service of the Territories was not charged as part of the disbursements of the Post Office Department. You will therefore see that there is a precedent for maintaining a separate account for the service in an unorganized territory—I mean a territory that is far from self-sustaining and in a more or less primitive state. As my hon. friend from Pictou says, the Yukon is coming to be looked on as part of old Canada, and the time is arriving if it has not arrived, when this distinction in the postal accounts may be discontinued, as the late government, in the course of a few years, discontinued voting a special sum for the various services in the Territories, and allowed the sum for the postal service to be defrayed out of the ordinary appropriations for the post office generally.

Mr. COCHRANE. When did that vote for the Northwest Territories cease to be taken ?

Sir WILLIAM MULOCK. I cannot say from memory.

Mr. COCHRANE. It did not continue until 1896, did it ?

Sir WILLIAM MULOCK. No, it did not. The Northwest Territories were taken over in 1870 ; but I am speaking of a period much later than that, coming down to a comparatively recent date. With regard to the payment of the accounts for the year, my instructions to the department are that all accounts for carrying on the service for the year shall be included in the accounts for that year, so that when they are laid upon the table they shall truly represent the cost of maintaining the service for the year; and I am assured by the accountant that those instructions are lived up to, and that there is nothing owing. I asked him if there was a cent owing. He said he would not say to a cent, but

there is not $100 of arrears so that practically speaking everything is included in the accounts represented in this return. The Auditor General gave us till the 15th of August, that is, six weeks after the accounts were due, and on the approach of the end of the fiscal year efforts were made to get in all the accounts before the end of the year ; so that in the early part of July we know pretty well the state of the accounts. My hon. friend may rely upon it that if any considerable unpaid account were not included in the year to which it belonged, it will, so long as I am at the head of the department, be reported to the House and included if possible in the printed report.

Mr. HENDERSON. Is the same system pursued now as in former years ?

Sir WILLIAM MULOCK. In the Postmaster General's Report for 1895-6, there will be found a report signed by two auditors, which shows that when the late government went out of office there were unpaid accounts exceeding the appropriations by $680,000. The hon. gentleman will remember that the change of government took place just at the close of the fiscal year, and shortly afterwards I learned that the whole appropriation for the year was exhausted and there was this large amount of unpaid accounts. The Deputy Postmaster General, Mr. White, told me that the practice had been to pay these arrears out of the revenue voted for the current year. That practice had grown up from year to year. Under it the shortcoming each year of $50,000, $60,000 or $100,000, instead of being included in the supplementary estimates for the following year, was carried on as an ever-increasing balance. The first year the amount carried over was, say $50,000, then it increased to, say $100,000 and so on until the amount of unpaid debts not provided for, when we took office, was as high as $680,000. There was no money voted by parliament to pay this sum, but apart from that accumulation of unpaid accounts, there was an actual deficit for the year of $780,000. So that besides the deficit of $780,000 on the year's operations, the department owed $680,000 of accumulated unpaid accounts. I reported the matter to the Finance Department, and that department treated this $680,000 as a debt of the Crown and put an item for it in the estimates. It was thus voted as a special vote, and we were enabled to start with a clean sheet. That was in the second session of 1896, because it took us several months to ascertain the exact amount.

Mr. CLANCY. Was there a separate account kept of those payments ?

Sir WILLIAM MULOCK. That transaction did not enter into the accounts of the post office for the fiscal year 1896-7 at all. It will be found in the Finance Department the same as any debt due by the Crown. In the statutes of 1896-7 there will be found in the appropriation Bill an item to pay these arrears, and the amount was paid by the Finance Department. We then started with a clean sheet.

Mr. HENDERSON. I understand that an entire change has been made in the system. Under the former government, it was customary, at the end of each fiscal year, to pay out of the next year's appropriations whatever was short in the estimates of the previous year. As the Postmaster General has stated, one year it might be $50,000 another year $60,000 and another year $100,000. Consequently year after year there was a continuous increase of these unpaid balances or a continued overlapping from year to year. The first amount for example might be $50,000 and should there be a shortage the next year of $25,000, then in the succeeding year there would be $75,000 of an overlapping and the following year if there was again a shortage of $25,000 there would be an overlapping of $100,000. This went on over a long series of years. The Postmaster General of that period continuously paid the amount that was unpaid at the first of July out of the succeeding year's appropriations, and it appears that about 1896 when the hon. gentleman's predecessor went out of office that this overlapping had amounted to about $685,000 in round numbers, and according to the practice of former Postmasters General that would be charged up to the fiscal year 1896. At the end of 1894 we will say it would amount to $616,712 and that overlapping would be charged up to the year commencing July 1, 1895. It would go on for another year and at the end of 1896 there would be still this overlapping, but it would then have amounted to a larger sum. A change of government and a change of book-keeping took place and the incoming Postmaster General refused to charge up this large sum to the succeeding year's estimates. Now what was the result ? The overlaping of the previous year was charged to 1896 which makes this enormous sum of a shortage in revenue of which the Postmaster General has boasted all over this country.

Sir WILLIAM MULOCK. That had nothing whatever to do with it.

Mr. HENDERSON. It stands to reason that if the overlapping at the beginning of the year went to the next year's expenditure it would certainly make apparently a very large shortage in the revenue of the country.

Sir WILLIAM MULOCK. That is not what happened.

Mr. HENDERSON. I say to the Postmaster General that my conviction is that that is just what happened, and it has never been made plain to the people of this country that that is not what happened and consequently the Postmaster General has ob-

tained a very large amount of credit in this country for having kept the expenditure within the revenue which he says his predecessors were unable to do. The whole matter requires to be thoroughly investigated, not by the accountants, the personal friends of the Postmaster General, whom he brought in from Toronto to make out an account to suit his own purposes, but by an independent commission that would show the actual condition of the account. My conviction is that that is just the way the thing happened and that the $685,447.03 as provided for by the Postmaster General by statute is a portion of the $781,152 shown as a deficit at the end of the year 1896, so that if you deduct the $685,447.03 which are shortages, the accumulations of some 18 or 20 years, and not of one year, you find that the deficit or shortage of revenue of the old government was a comparative trifle indeed. That is the way I have explained the whole matter. I feel pretty well satisfied, in fact I remember distinctly the words of the Minister of Trade and Commerce (Sir Richard Cartwright)—and if I could only lay my hands on the 'Hansard' I should cite them, but I have not been able to find the passage in the few moments of this discussion. I remember well the words of Sir Richard Cartwright (Minister of Trade and Commerce) in answer to a question put across the floor of the House by the Hon. Mr. Foster. He said that this large sum was made up of the accumulations of a great number of years, and I have never yet been convinced that this sum was not made up of these accumulations, and that the sum that was provided for by the Postmaster General by a special statute or by a special estimate—I think by an Act of Parliament—was not a portion of this $781,152, which the hon. the Postmaster General has been parading for the last seven or eight years as the shortage in the revenue of this country as compared with the expenditure. I have no doubt that if I am wrong the Postmaster General will be able to put me right, but I tell him that it would take a great deal more to do so than a special account prepared for the Postmaster General by his own personal friends, to accomplish a specific purpose.

Sir WILLIAM MULOCK. I have sent into the library for the report of that year and as soon as I receive it I shall deal with the hon. gentleman's contention. Perhaps the committee will allow me to reserve my remarks until that report comes. Meantime I would say, to correct my hon. friend at the beginning, that his suspicion, his imagination is entirely at fault and that the deficit of $781,000 in the revenue as compared with the expenditure for 1896 was for the actual workings of the department that year and was over and above all accumulated arrears of preceding years.

Mr. HENDERSON. What I intended to say was that for that specific year the overlapping at the beginning of the year was charged up as a portion of the expenditure of that year and at the end of that year the shortage for that year was charged up inasmuch as the succeeding Postmaster General refused to have it taken out of the appropriation of the succeeding year, so that you have the overlapping at the beginning of the year and the shortage for the year all charged in that year and it is no wonder if the accounts did in that way show the immense shortage claimed by the Postmaster General.

Sir WILLIAM MULOCK. If the amount of $680,000 the accumulated arrears, had been added to the expenditure for the fiscal year 1895-96 instead of the auditors reporting a deficit of $781,000 they would have had to make it $781,000 plus $680,000 or something over $1,400,000.

Mr. COCHRANE. I have no objection to the Postmaster General reducing the postal rates, but I think he was a little unfair when he answered me as he did about the Northwest Territories. I think it would have been fairer if he had frankly stated to me and to the committee that the late government had the expense of post offices in that country to bear out of the ordinary revenue of the Post Office Department for several years before the hon. gentleman took office, and they did not keep a separate account. It would be a fairer statement if he would charge the expenditures of the Post Office Department in the Yukon and also credit it with the amount received in the Yukon, balance the two amounts and give us a fair balance of the statement. Would that not be fairer than to keep a separate account for the Yukon when he has a deficit there? There is no doubt in my mind, and I think there is no doubt in the mind of the Postmaster General, that if there had been a separate account kept for the Northwest Territories in reference to the post office expenditure and revenue in that country there would have been a large deficit in that territory when the late government was in power.

Sir WILLIAM MULOCK. If there was a deficit in the working of the Post Office Department in the Territories in 1895-6, there would not be much difference, I presume, in 1896-7. We have never balanced it up. I do not know how it compares, but we carry on the service so that whatever deficit in 1895-6 existed would be taken into account.

Mr. COCHRANE. You are carrying on the service in the Yukon just the same as the late Postmaster General carried on the service in the Northwest Territories. But the difference is that the service in the Northwest Territories was then charged to the general account, while you separate the Yukon service now and have a surplus.

Sir WILLIAM MULOCK. We separate the two, but it all appears on the face of the report. The report shows a surplus, without the Yukon, of $395,000, and if you deduct the loss on the Yukon service, the surplus is reduced to $292,000. The previous administration voted the sum needed for the post office department in the Territories, but that amount was not charged against the Post Office Department.

Mr. COCHRANE. I understand that.

Mr. J. D. REID. As I understand it, there was a deficit of $600,000, which had accumulated for eighteen years.

Sir WILLIAM MULOCK. I do not know for how many years.

Mr. J. D. REID. Well, for a great many years; and during that time the cost of the postal service in the Northwest Territories and Manitoba was included in the post office expenditure. During that time there must have been large deficits as between the revenue and expenditure in the Northwest Territories, Manitoba and British Columbia. So that if the amount were even small, say $20,000 a year, the deficit would have occurred in these new western territories, and it would really have accumulated to about $600,000 at the time the hon. gentleman took charge of the department. At the time the hon. gentleman took charge of the department I suppose the revenue and expenditure would almost meet?

Sir WILLIAM MULOCK. No, there was a deficit of $780,000.

Mr. J. D. REID. I mean that the expenditure and revenue of the western territories would probably almost meet; or, in other words, that the deficit that had been accumulating annually would probably have been decreasing.

Sir WILLIAM MULOCK. No, it was growing.

Mr. J. D. REID. Has the deficit in the western territories grown since?

Sir WILLIAM MULOCK. The accumulated arrears were growing.

Mr. J. D. REID. Yes, up to the time that the hon. gentleman took charge of the department, but the amount would be growing very slightly.

Sir WILLIAM MULOCK. No, it was growing large. The mistake the government made was not in each year getting a large enough vote from parliament to pay the expenses of the service for that year. In any municipality or town they levy their taxes for the year. These taxes are supposed to pay the working expenses of the year, but when the year winds up the town, for instance, has paid out all the revenue and finds itself owing a thousand dollars. There is the same rate of taxation for the succeeding year, and the same thing happens again. There is another deficit of a thousand dollars, making $2,000 that it owes. That $2,000 the town borrows by mortgage, making an issue of debentures for the purpose. During that second year the town also has incurred liabilities in excess of the taxes to the extent of $1,000 more in addition to the $2,000 already owing. It chooses to pay this in another way. Thus it has a deficit of $3,000. It has not the power, as we have, to vote the sum in a general way, but as it has to carry on the service it would have to take the money straight out of the people. In the case I am trying to illustrate the accumulated accounts have nothing whatever to do with the finances of the year, except that portion thereof that was left over from that year. The $680,000 had been accumulating year after year, just as the accounts of a corporation that was getting behind hand would go on accumulating year after year, or as a business man who is anticipating his income is incurring liabilities to be met out of his income in the future. So it was in this department. When we took office in 1895-6 there was an appropriation by parliament out of the consolidated revenue fund to pay the cost of the service for that year, and there was against that to recoup the treasury the revenue from the department. The revenue from the department that year was $780,000 less than the expenditure for the year, so that the tax-payers had to pay $780,000 in addition to what was collected by way of postage in order to pay the current expenditure of the year. That still left this accumulated deficit of years which had to be paid. That is all made perfectly clear in the report I spoke of.

Mr. T. I. THOMSON. I notice in this report which I hold in my hand that there was a deficit of $781,000 in 1896. The hon. Postmaster General says that this was brought about because the government had not asked for a sufficient vote of money to carry on the service, and he dwells upon that.

Sir WILLIAM MULOCK. I did not say that. My hon. friend misquotes me. I did not say that the deficit was caused by the fact that the government did not ask for sufficient money. That is another question altogether. I said the deficit was caused by reason of the fact that the revenue fell $780,000 below the expenditure.

Mr. T. I. THOMSON. The hon. minister dealt altogether with the year 1896. I notice that in the following year, under his administration, there was a deficit of $586,000. I inferred from the remarks which he made that he has been squaring the accounts since he came into office, while the evidence shows to the contrary.

Sir WILLIAM MULOCK. My hon. friend from Halton (Mr. Henderson) stated that he

could not be convinced by any report of auditors whom I had chosen, because they were my personal friends.

Mr. HENDERSON. Hear, hear.

Sir WILLIAM MULOCK. And he says 'hear, hear,' to that remark. I will tell him who the auditors were, and if he will make inquiries I think he will have reason to revise that statement. They were W. H. Cross and Wm. F. Munro.

Mr. HENDERSON. These were both your personal friends.

Sir WILLIAM MULOCK. Mr. Munro I knew very well; Mr. Cross I had never seen in my life.

Mr. HENDERSON. I naturally supposed that, living in Toronto, Mr. Cross would be known to the hon. minister.

Sir WILLIAM MULOCK. He was a perfect stranger to me. Mr. Cross was not my personal friend, I had never exchanged a word with him, but, on the contrary, he was a political friend of hon. gentlemen opposite. He was at the head of the Chartered Accountants' Association, and he is recognized as one of the foremost accountants in Canada. He went into this work as a pure matter of business, gave a great deal of his time to it, and no person who knows Mr. Cross would discredit anything he certifies to in his capacity as an auditor.

Mr. HENDERSON. I am not going to question the honesty of Mr. Cross, but we must understand that Mr. Cross had his instructions from the hon. Postmaster General.

Sir WILLIAM MULOCK. Then we will see what these instructions were. I have here the report of the Postmaster General presented to parliament in the session of 1897, setting forth this transaction. The statement is as follows:

REPORT OF AUDITORS UPON THE FINANCIAL AFFAIRS OF THE POST OFFICE DEPARTMENT.

At the close of the fiscal year 1895-96, it was found that the parliamentary appropriations for that year had been exhausted, and that large sums were still owing by the department..

With the idea of ascertaining the true financial position of the department, two accountants, Messrs. W. H. Cross and W. F. Munro, were appointed to make certain inquiries, the result of their investigations being set forth in the following annexed report:—

The Hon Wm. Mulock,
Postmaster General.

Sir,—We have the honour to submit the statements prepared in pursuance of your instructions expressed in the following terms:—

(1.) Ascertain the total cost of maintenance of the Post Office Department for the fiscal year beginning on the 1st of July, 1895, and terminating on the 30th of June, 1896, classifying such expenditures.

Does my hon. friend (Mr. Henderson) say that that was a proper question to put?

Mr. HENDERSON. Yes. I have no objection to the question. My contention is that in the sum which they arrived at, they included in the expenditure for that year the overlapping from the previous years.

Sir WILLIAM MULOCK. I will prove they did not. This is the instruction:

Ascertain the total cost of maintenance of the Post Office Department for the fiscal year beginning on the 1st of July, 1895.

Not arrears, but the cost for that year beginning on that date:

—and terminating on the 30th of June, 1896, classifying such expenditures.

2. Ascertain the cost of maintenance of the Post Office Department for the fiscal year 1896-7 on the scale of expenditure reached in the fiscal year 1895-6.

Now we come to an entirely independent transaction.

3. Ascertain the amount of any unpaid debts or liabilities of the department on the 1st of July, 1896, over and above the appropriation made by parliament for the fiscal year 1895-6, and classify the same.

They were instructed to do two things: To ascertain the cost of the maintenance of the department for the fiscal year beginning 1st of July, 1895, and terminating the 30th of June 1896; and also to ascertain the amount of any unpaid debts or liabilities of the department prior to the 1st of July, 1896. Then they go on to say:

Freed from outlays directly on behalf of the money order and savings bank branches, which outlays embrace a share of the cost of inspection, together with a proportion of several lesser general items, and charging those branches with postage at the ordinary rates; then the postal service for the fiscal year cost $902,625.62 over and above all revenue. The money order service and the savings bank service cost respectively $28,136.12 and $96,767.28, making a total of $1,027,529.02, which may be described either as the cost of maintenance over and above all receipts or as a deficit.

It must, however, be pointed out that the statement is incomplete in two ways. On the one hand the expenditures do not include the year's outlay for the maintenance of the public building used by the Post Office Department throughout the Dominion, nor is any allowance made either for interest upon the cost of such buildings or for such a yearly sum by way of sinking fund as would provide for the repayment of the capital invested in them.

On the other hand the receipts do not include any allowance for the services rendered by the department in respect of free transmission of newspapers, of free transmission enjoyed by members of the Dominion parliament or for services to other departments of the Dominion government, or to the local legislatures.

In order to determine the scale of expenditure of the entire department reached in the year 1895-6 the outlay for the month of

June last was selected. The services for that month cost $419,304, equal to $5,031,650 for the year. A classified statement of the scale of expenditure is herewith submitted, in which, it must be pointed out, no allowance is made for the yearly expansion of the service of the department. Such expansion during the seven years ending 30th June, 1895, averaged four and one-sixth per cent per annum upon the gross expenditure. This percentage on the gross estimated expenditure for 1896-7, $5,031,650, would amount to $209,652.

In the preparation of the statement of the arrears of the department upon maintenance account on the 30th June last, the arrears at the beginning of that fiscal year had also to be determined. Statements of the arrears at both periods are submitted.

I skip over the pages containing the figures, and I now read the conclusions :

(a.) At the beginning of the fiscal year 1895-96, as a result of the deficits of previous years, there were outstanding liabilities of the department, in the shape of unpaid accounts, to the amount of $616,712.99.

(b.) At the close of the fiscal year 1895-96, the liabilities of the department in excess of all parliamentary appropriations applicable thereto amounted to the sum of $685,447.03.

(c.) Thus the liabilities had increased during the year 1895-96 to the extent of $68,734.04.

(d.) The actual cost of maintenance of the department in all its branches for the year 1895-96 was $4,985,327.53.

(e.) The revenue of the Post Office Department for the fiscal year ending 30th of June, 1896, amounted to the sum of $3,957,798.51 ; which deducted from the above-named gross cost of maintenance, namely, $4,985,327.53, leaves a deficit of $1,027,529.02.

That was the total cost of maintaining the department throughout that year.

Mr. CLANCY. What year is that ?

Sir WILLIAM MULOCK. The year 1895-6. The total cost of the service for that year was $4,985,327.53, and the revenue of the Post Office Department for the same year amounted to the sum of $3,957,798.51.

Mr. CLANCY. Was that the gross revenue ?

Sir WILLIAM MULOCK. I may say that it has been the practice in the department for postmasters to deduct their salaries out of the post office revenues in a certain way. What is called a salary warrant is issued to a postmaster and he is paid his percentage, and it is only the balance that goes into the consolidated revenue fund.

Mr. CLANCY. The Postmaster General does not seem to be right in either of these figures as regards the revenue and expenditure for that year.

Sir WILLIAM MULOCK. Perhaps the hon. gentleman would allow me to read the statement first.

Heretofore it has not been the practice to treat the amount expended under the head of civil government as a charge against the department, and were such practice adhered to the deficit of $1,027,529.02 would be reduced by $246,376.93, leaving the outside service shortage $781,152.19.

The other two paragraphs have no bearing upon that question. That report is signed by W. H. Cross and W. F. Munro. That report shows that the total cost of carrying on the service for that fiscal year amounted to $781,000 in excess of the revenue, and that is without taking any account whatever of any arrears that were owing ; the accumulation of previous years. I may further add, that the Minister of Finance (Mr. Foster) in that year, I think, in delivering his budget speech announced a shortage in the postal revenue of about $800,000. When Mr. Foster was urged to reduce the postage from three cents to two cents, he referred in his budget speech to the impossibility of doing so owing to the fact that there was a discrepancy between the revenue and the expenditure and he estimated the deficit to be something like $800,000.

Mr. HENDERSON. I have read this report several times myself, and I have listened to it carefully when read just now by the Postmaster General. I am not here to cast any reflection upon the honour of W. H. Cross or W. F. Munro. I stated they were personal friends of the Postmaster General ; as these gentlemen both being prominent accountants in the city of Toronto would no doubt be well acquainted with him. The Postmaster General had the opportunity of giving these gentlemen special instructions as to the manner in which he desired these accounts to be investigated, and only so far as that do I take exception to the finding of Messrs. Cross and Munro.

Sir WILLIAM MULOCK. Will the hon. gentleman say what exception he takes to the instructions given.

Mr. HENDERSON. I have read that report half a dozen times with the object of understanding it. I may be very obtuse, but I cannot for the life of me come to the conclusion that there have not been overlappings included, owing to the change in the system introduced by the Postmaster General on the 1st July, 1896. The overlappings from the previous years were paid in 1895-96, and counted as part of the expenditure.

Sir WILLIAM MULOCK. It is falsifying the Auditor General's Report to do that.

Mr. HENDERSON. That was the practice for many years, and when the appropriation was passed by this House to enable the Postmaster General to pay that $685,447.03, the Minister of Trade and Commerce admitted, that that sum was made up out of overlappings or shortages for eighteen

or twenty years. I have always believed, and I am not convinced otherwise yet, that the overlapping, or the amount that came over at the end of the fiscal year 1895, was paid out of the revenue for 1895-6. Then, at the end of the year 1895-6 the Postmaster General changed this system, and instead of allowing this shortage, which was made into a large sum by means of this overlapping, to be paid out of the following year's appropriation, he said he would call a halt. Consequently the entire amount that was chargeable to that year's expenditure, which I admit was not paid on the 1st of July, 1896, was charged back to the year 1895-6, and thereby increased the apparent expenditure of the Post Office Department for that year by the amount overlapping at the end of the year. That is what I contend, and nothing that the Postmaster General has yet said has succeeded in changing my mind on that point. According to the Postmaster General's Report for the next year, we find that in 1897 the shortage was $685,539. The two-cent rate had not been introduced yet. The Postmaster General had not brought about any great reform to bring the revenue and the expenditure any nearer together. Not until the year 1898 is the shortage reduced to $47,602. I have read carefully time and again the report of Messrs. Cross & Munro; and while I am satisfied that they followed the instruction of the Postmaster General, I do not feel satisfied that these gentlemen had their attention drawn to that particular point. They regarded all the payments made in 1895 as payments on account of the expenditure of 1895, whereas between $600,000 and $700,000 of those payments did not belong to that year at all, but belonged to previous years, extending away back some eighteen or twenty years. I am not impugning the veracity, honour, integrity or ability of the accountants. These gentlemen are too well known in the city of Toronto for that; but I do say that the Postmaster General did not draw their attention to that fact, and that they did not receive the full instructions which they ought to have received in order to give them the basis on which they were to start this investigation. I hope the Postmaster General will be able some day for his own satisfaction to show me that he is right; but I recall well the discussion that took place on this matter in this House years ago, when Sir Richard Cartwright admitted frankly, in order apparently to shorten the discussion that this charge of $685,000 was simply the accumulation of eighteen or twenty years.

Sir WILLIAM MULOCK. I do not expect to convince my hon. friend. I am glad he has removed all doubts as to the reliability of the auditors. That is a point in my favour. I am glad that he admits their ability and their professional qualifications. Now, if two able, honourable, faithful and honest auditors are instructed to ascertain certain figures and certain results; if they proceed to do so, and append their signatures to a report made after many months of going through vouchers and accounts with the officers in the department, as these men did; if we cannot impugn their report on the ground of incompetence or dishonesty on their part; and if the case submitted to them was such as to bring out the truth; then they brought out the truth. That must follow, or else they are not efficient and honest. There were two things left to them to ascertain—the cost of the Post Office Department for the fiscal year beginning the 1st of July, 1895, and terminating the 30th of June, 1896; the cost of the maintenance of the Post Office Department for the succeeding year. They were also to find out what the arrears of debt were; and they found in plain language that the revenue of the Post Office Department for the fiscal year ending the 30th June, 1896, was $3,957,798.51 and the expenditure $4,985,327.53. Deducting that revenue from that expenditure, you have a balance of $1,027,529.02. Deducting from that the cost of the inside service, which is never charged against the revenue of the Post Office Department, you have a net shortage, as they certified, of $781,152.19. They further certify that in addition to that shortage there are owing bills of previous years amounting to $685,447.03. Taking these two things together you have a shortage of $1,466,599.32 That $685,447.03 represents the accumulated shortages of previous years.

Mr. CLANCY. Unpaid up to that time?

Sir WILLIAM MULOCK. They had been paid out of our accounts, and we got a recoupment by vote of parliament.

Mr. CLANCY. Oh, no.

Sir WILLIAM MULOCK. I say yes.

Mr. BLAIN. This is too large an amount of money for us to pass without having a thorough understanding of it. The Postmaster General makes the statement that there were unpaid accounts accumulated up to the time of the outgoing of the old government, to the amount of $685,447. He makes the further statement that for the year ending June 30th, 1896, there was a deficit of $781,152, or making in the two amounts a shortage of $1,466,599. If my hon. friend would produce before the committee evidence to show how the government of which he is a member paid these amounts, I think he would convince the committee that he is right. I do not suppose the hon. gentleman paid either of these shortages out of the usual annual appropriations made after he came into office. Therefore there must have been some special amount voted for this purpose. Would the hon. minister inform the committee how this government paid this large amount? Did they pay it in one amount in 1896, 1897 or 1898, or was it paid in two separate amounts?

Sir WILLIAM MULOCK. I did not say that parliament had not voted the money. Parliament voted the money to carry on the service, irrespective of the revenue. That money is taken out of the consolidated revenue ; and if you take the amount voted by parliament for carrying on the service for the fiscal year 1895-6, you will find that the revenue for that year was less than that amount by $781,152.

Mr. HAGGART. Will the minister tell us where it appears in the post office accounts ?

Sir WILLIAM MULOCK. The post office accounts do not show the amount voted by parliament. They simply gave the receipts and expenditures of the Post Office Department.

Mr. HAGGART. If there was a vote taken by parliament for the purpose of covering the amount of these deficits, does it appear anywhere in the statement of the postal receipts and expenditures that that amount has been paid ?

Sir WILLIAM MULOCK. I said a few moments ago that the condition of the annual expenditure and receipts of the Post Office Department are announced by the Postmaster General. But in order to make good my statement, let me read from 'Hansard' of the 31st of January 1896.

Mr. HAGGART. No one disputes it.

Sir WILLIAM MULOCK. Yes, the hon. gentleman's friends do. Here is Mr. Foster's statement :

> In the post office we have an increased estimate of $240,780, which is a large increase. The demands for the opening up of new lines, and for greater frequency and greater thoroughness in the delivery and despatch of mails, are continually pressing upon the Post Office Department, and a large expenditure has necessarily to be made if we are to keep at all even with the requirements of the times, which we are bound to do. There is now a deficit of somewhere near $800,000 between the total receipts and total expenditures of our post office service.

Not that the revenue fails by $50,000 a year, but that it fails by $800,000 to meet the expenditure of that year. He was quite right. In fact he is a little over the mark because the auditors found the amount was $781,000. That is above and beyond the accumulated debts of former years which were still outstanding.

Mr. HEYD. I just happened to have the Postmaster General's Report giving the expenditure and revenue for the five years ending 1893, which may throw a little light upon the subject. Revenue, $12,517,000 : expenditure paid by cheque $15,954,000—deficit $3,437,000. Or $700,000 per year.

Mr. HAGGART. Perhaps the hon. gentleman would state how it was paid.

Mr. BLAIN.

Mr. HEYD. It was paid by cheque.

Mr. BLAIN. My hon. friend the Postmaster General will need a better accountant to come to his rescue. The hon. gentleman says that when they came into office there was a deficit of $3,000,000.

Mr. HEYD. I did not say that. There was no deficit, because it was paid.

Mr. BLAIN. I would like the hon. Postmaster General to correct my hon. friend

Sir WILLIAM MULOCK. Since my hon. friend will not accept the auditor's report as to the gross amount of expenditure for that year, let me give the details of the expenditure for 1895-6, as set forth in their own minister's report.

Mr. BELL. I want to call attention to what seems to be a discrepancy. On the first page of the hon. gentleman's report, he gives the deficit for 1896 as amounting to $781,156. That of 1897 he makes $586,539 ; and 1898 $47,607. According to the public accounts the expenditure in 1896 was $3,665,011.30 and the receipts were $2,964,014.23, leaving a deficit of $700,997.07. But this differs by about $80,000 from the amount entered in the Postmaster General's report and given as the finding of the auditor. In that report the deficit for the year 1896 is given as $781,000. But while that year does not agree with the financial statement, the following two years, 1897 and 1898, as shown in the Postmaster General's report, agree exactly with the public accounts. The expenditure and revenue in 1897 and 1898 were as follows :—

In 1897, expenditure	$3,789,478.34
In 1897, revenue	3,202,938.42
Deficit	$ 586,539.92
In 1898, expenditure.. ..	$3,575,809.69
In 1898, revenue	3,527,809.69
Deficit..	$47,602.30

Since the Postmaster General is addressing himself to this matter, will he explain how it is that while apparently in every other year the statement in his report agrees with that given in the public accounts, it does not in the year 1896 ?

Sir WILLIAM MULOCK. The accountant informs me that the Auditor General only includes the actual payments before the accounts of the year are closed. The Finance Department only takes note of the payments. If a debt is paid before the accounts are closed, it is included in that year.

Mr. HAGGART. Would not the difference be far greater if the Auditor General only took account of the amounts paid ?

Sir WILLIAM MULOCK. No, it would not, for this reason, that he does not close his accounts on the 1st of July, but sometimes

allows a couple of months to elapse before closing them. When the fiscal year is closed, we are notified to get in all accounts and pay them, as the accounts will be closed on a certain day. We are allowed usually until the 15th of August, and an appropriation does not lapse until the accounts are closed by the Finance Department. Anything paid up to that date is entered in the disbursements of the year.

Mr. HAGGART. That is a new system.

Sir WILLIAM MULOCK. There was a good deal more latitude allowed formerly.

At six o'clock, committee took recess.

After Recess.

Committee resumed at 8 o'clock.

Sir WILLIAM MULOCK. I was asked to show how the amount of the current expenditure had been paid and also how the $685,000 had been paid. My statement is that for the fiscal year ending June 30th, 1896, the revenue failed by $780,000 to meet the expenditure. My further statement is that when we took office the department was in debt to the amount of about $680,000 for which there was no parliamentary appropriation. My statement is that parliament voted enough money to pay the expenditure for the fiscal year 1895-6, including the $780,000 and that parliament also voted in the succeeding year $685,000. I propose to prove that.

Mr. BELL. Was there also enough money voted for the year 1895-6 to include all the expenditure for the year including the deficit of $781,000.

Sir WILLIAM MULOCK. Between the money voted that year and succeeding years there was, with some slight discrepancy which we have not been able to place, owing to the difference between the way in which the Post Office keeps its accounts and that in which the Finance Department keeps its accounts. It is a comparatively small item.

Mr. BELL. It is about $80,000.

Sir WILLIAM MULOCK. Yes, about $80,000. The expenditure for the fiscal year ending June 30th, 1896, was $3,665,011.30. The net revenue for that year was $2,964,014.23. The difference between that net revenue and the expenditure was $700,977.07. You have to add to that deficit the sum of $68,734.04, making in all $769,731.11 part of which amount is included in the $685,000. Parliament in 1897 not only voted that item of $685,477.03, but recouped by the vote of 1896-7 in these words:

To recoup the vote of 1896-7, the following expenditure made in 1896-7 in payment of liabilities incurred in previous fiscal years as under the same to be charged to consolidated fund:

Amount of deficit 1st July, 1895... ..	$616,712.99
Incurred in 1895-6..	68,734.04
Total	$685,447.03

which amount parliament voted. To that amount of $685,447.03 a portion of overdue debt in 1895-6 is to be added bringing the shortage to $763,713.13.

Mr. BELL. Why should that be added to the shortage?

Sir WILLIAM MULOCK. I have only given you the actual expenditure.

Mr. BELL. As I understand it that $60,000 odd represented the difference between the expenditure and the sum voted for that year, but it did not have any reference to the shortage for the year.

Sir WILLIAM MULOCK. It does not seem to have been expended in the time. I am giving the expenditure. The expenditure up to June 30th which is included in the report of the Finance Department did not include that apparently. I am not going to argue upon that point, because I have only disposed for the $700,997, the difference by the books between the net revenue and the net expenditure. Parliament voted an expenditure of $3,665,000 and also this $685,000. Now I need not go into details to prove these figures which are in the statute.

Mr. CLANCY. Where do we find the payment of that.

Sir WILLIAM MULOCK. You will find all the vouchers.

Mr. CLANCY. Turn to the account now and show where that was paid, the whole sum voted in 1897 covering what is called the deficit.

Sir WILLIAM MULOCK. The $685,000?

Mr. CLANCY. Yes.

Sir WILLIAM MULOCK. The $685,000 was voted to recoup the amount which we had to expend to pay this balance.

Mr. CLANCY. What was it taken out of? The hon. gentleman knows we did not exceed the estimates.

Sir WILLIAM MULOCK. It is not necessary for the hon. gentleman to assert what I know or what I do not know. He need not give any evidence on my account. If he desires information I am here to give it.

Mr. CLANCY. I desire the hon. gentleman to be civil enough to give me an answer. I did not ask the hon. gentleman what he knew.

Sir WILIAM MULOCK. No, you said I did know.

Mr. CLANCY. He said it was to recoup the sum that had been paid.

Sir WILLIAM MULOCK. Yes.

Mr. CLANCY. That would mean that if we had exceeded the estimates we would have had to draw on some other moneys. The hon. gentleman knows perfectly well that it is not the case, because in none of these years did we reach the estimates, let alone exceeding them, and we did not have to take a dollar from any other fund.

Sir WILLIAM MULOCK. The hon. gentleman persists in saying that I know things. He does not know what I know, that is clear. In the summer of 1896, we found liabilities for previous years and the year just closed, amounting to $685,000 for which there was no parliamentary appropriation. The total amount of that vote minus $68,734.04 represented the amount owing before the commencement of the fiscal year 1895-6. A portion of it, the $68,000 odd, represented a further addition to it during that fiscal year. That total amount of $685,000 had to be paid in the summer of 1896, and was temporarily borrowed from the appropriation for carrying on the service from July 1st, 1896 to July 1st 1897, and when parliament met the Finance Minister reported the transaction to parliament, and parliament voted $685,000 for the purpose of recouping the appropriation which was drawn upon to pay the arrears I spoke of.

Mr. HENDERSON. I do not intend so far as I am concerned, to prolong this discussion very much further. However, I desire again to submit my position and if I fail to convince the Postmaster General that I am right it will not be for want of effort on my part. It is decided on all hands, that this $685,000 is the result of overlappings or overdrafts, for about 20 odd years. I read in 'Hansard' of 1897 at page 5264 the discussion that took place when the item came up for discussion. The discussion on it was very brief, and consisted of a short speech by the Minister of Trade and Commerce (Sir Richard Cartwright) the Postmaster General not being in his place at the time. The Minister of Trade and Commerce said:

> The Postmaster General is not here at the moment, but I can state briefly what this is. They are the accumulated deficits of the post office for the last twenty years. It appears that they have always been outrunning the constable in that department, and they have been constantly paying out of one year's appropriations, sums which were due in the last year, and adding thereto from time to time. They have finally run up to this large sum, and the Postmaster General thinks it is time that should stop.

I think we are all agreed that that is the way this sum was made up. I am not finding fault with the correctness of the summing up by the auditors, but I am very doubtful indeed as to whether they were given the proper basis on which to form a judgment. I should like to have the attention of hon. gentlemen opposite for a moment in order to show the loose way in which this $685,447.03 was made up by the auditors, and I will leave it to these hon. gentlemen to say if there is anything genuine about it. The auditors, I presume, acting under instructions, took the expenditure for the month of June, 1896. They could get that from the accounts in the Post Office Department. The amount was $419,304. They took that for one month of the fiscal year and multiplied it by 12 and ascertained in that way that the total expenditure for the year was $5,031,648.

Sir WILLIAM MULOCK. Merely an estimate for the future.

Mr. HENDERSON. I ask the hon. Postmaster General if that is a very fair way to get at the correctness of the accounts?

Sir WILLIAM MULOCK. For what year?

Mr. HENDERSON. 1896.

Sir WILLIAM MULOCK. 1895-'96?

Mr. HENDERSON. June, 1896, just a month preceding the time the hon. gentlemen came into power.

Sir WILLIAM MULOCK. What is the hon. gentleman reading from?

Mr. HENDERSON. I am reading from the Postmaster General's report for 1897, p. XXVIII. I presume that $419,304 is the actual expenditure for the month of June, 1896. But, it may have been $50,000 more than the expenditure for the month of May or $50,000 more than the expenditure for some other month because I find the statement made by the auditors to be as follows:

> During the fiscal year 1895-6——

And we are now speaking of 1896.

> —there were increases of a permanent character to the cost of the service; such increases were not in existence throughout the whole of the fiscal year 1895-6.

And so on. So that in the latter part of the year there may have been material increases and this sum of $419,304, the expenditure for the month of June, might have been $50,000 more than the expenditure for some of the preceding months. Suppose that it did average $50,000 per month it would mean about $600,000 for the whole year. I say this is scarcely a fair way to bring down an audit of the accounts to show that the predecessors of the hon. gentleman had been extravagant in their expenditure, or that the expenditure of the late government was far in excess of their revenue. Amongst the conclusions arrived at by these auditors we find this statement:

> At the beginning of the fiscal year 1895-6, as a result of the deficits of previous years, there

were outstanding liabilities of the department, in the shape of unpaid accounts, to the amount of $616,712.99.

We all agree upon that. We are not going to quarrel at present at any rate with the figures. I want to know out of what estimate that sum was paid? The Auditor General must have had some authority for paying it. It certainly could not have been paid unless there was money voted for that purpose. The information I have is that it was paid out of the estimate that was made for the post office service for 1895-'96. I believe the Auditor General considered that a legitimate payment and I am sure he does at the present time. At any rate he regarded that as a fair method of making a payment. Whatever was unpaid on account of the post office service at the beginning of 1895 could be paid and was actually paid out of the appropriation for the years 1895-96? We are satisfied of that. I believe that my hon. friend the Postmaster General will agree that this $616,712.99 was paid out of the estimate for the year 1895-96. If they paid it out of that sum it would certainly increase the expenditure as shown in the accounts of the department by $616,712.99. The expenditure would be increased by that amount over and above the actual expenditure for the year. Now then the audit comes on. The books are placed before the auditors. What do they do? They simply as far as I can learn—and I see no evidence given here to the contrary—take the expenditure according to the books of the Post Office Department for 1895-96 and they proceed to show the results. Well, the hon. gentlemen can readily understand that when the actual payments for the service of 1895-96 were increased by the overlapping from the previous years to the extent of $616,712.99, the expenditure of 1896, would be larger than it would have been if the $616,712.99 had not been charged up to that year's expenditure. Now, we come to the end of the year and the Postmaster General changes the method. Instead of allowing the overlappings of some twenty years, to be carried forward, he places a sum in the estimates, not only suficient to cover this sum that overlapped from 1895 and which belonged properly to 1895, but which was paid in 1896 and increased to that extent the expenditure of 1896, but included also the short estimate of $68,734 of the year 1895. I fail to see how I can make the matter any plainer. It is quite easily understood, at any rate it is quite apparent to my mind, that this is the basis on which these auditors proceeded and if they took the expenditure as they found it in the accounts of the Post Office Department, increased by the overlappings of some twenty years, they would certainly find a deficit of $700,000. It would not be surprising because nearly that sum would have been added to the expenditure for the year 1895-96 the year previous to the hon. gentleman coming in. I do not propose to follow this further. I have made it as plain as I possibly can, and unless the hon. Postmaster General can show that I have not started on the right basis I think he must admit that his predecessors were not so wasteful after all, and that the boasted deficit that we have heard so much about during the last eight years practically disappears. It has been nothing but a book-keeping deficit and it should properly disappear I think in order to remove this matter beyond any doubt some further investigation should be made, because, if the position which I have stated is a correct one, I think the people have been misled in connection with these accounts. I do not propose to pursue the discussion further. I have said all I can say. I have made my position as plain as I possibly can and I think perhaps the hon. Postmaster General will see that there is some force in it.

Sir WILLIAM MULOCK. I am not able to agree with the hon. gentleman that he is in the slightest degree correct. On the contrary he is in error from beginning to end and I can hardly assume that a gentleman of his experience and familiarity with the unravelling of public accounts is not able to see the transaction in its true light. He says in regard to the findings of the auditors that they merely estimated the expenditure for the month of June, 1896, and multiplied it by twelve.

Mr. HENDERSON. I did not say estimated, I said actual.

Sir WILLIAM MULOCK. Well, he states that they took the actual expenditure for June, 1895, and estimated that the expenditure for the whole of the preceding year was at that rate. On what does the hon. gentleman base that view?

Mr. HENDERSON. On your own report.

Sir WILLIAM MULOCK. The hon. gentleman is quite mistaken. I will leave it to the member for Pictou (Mr. Bell); I will try to address myself to his intelligence. There were two things referred to the auditors; one: to ascertain the actual expenditure for the fiscal year ending 30th of June 1896, and the other, to ascertain for my own information the expenditure of the Post Office Department at the end of that year, so that I might base an estimate on which to ask parliament for an appropriation for the succeeding year. I did not wish to fall into the error of my predecessors by asking for an insufficient appropriation, I wished to know exactly what was required. The auditors took nobody's word for anything; they came into the department and spent months there; they took possession of the department as any auditors would take possession of a company whose affairs they were

bound to audit honestly ; they took all the vouchers and contracts and liabilities for the year, and they ascertained the expenditure for that year ; not the estimated expenditure but the actual expenditure for the year. In the Post Office Department one month's expenditure is always greater than the month preceding because there are new services to be provided for and new obligations assumed for the future. I wanted to know the height to which the expenditure had attained at the close of the last fiscal year, and so the month of June was taken in order that I might form an intelligent estimate as to how much I should ask of parliament. That is the meaning of the last paragraph. Let me read it to the hon. gentleman and I know he is fair enough to appreciate it, when it is explained.

In order to determine the scale of expenditure of the entire department reached in the year 1895-96, the outlay for the month of June was ascertained.

They ascertained the exact amount it cost to run the service for the month of June, and assuming that it would not cost less for any month of the coming year, it was considered that twelve times that amount would be the appropriation required. That was done merely to aid me in forming my estimates for the coming year. The previous part of the report merely stated the exact cost for running the department for the past year.

Mr. HENDERSON. The Postmaster General is not answering the argument I advanced. I drew attention to the fact that the sum of $685,447 was arrived at by taking the actual expenditure for the month of June, 1896, and multiplying it by twelve.

Sir WILLIAM MULOCK. That is entirely wrong.

Mr. HENDERSON. That is what is said here.

Expenditure for June, 1896, $419,304.

Sir WILLIAM MULOCK. Read the first part of the sentence.

Mr. HENDERSON. I am leaving out nothing.

The yearly expenditure attained on basis of month of June, 1896, $5,031,648.

Sir WILLIAM MULOCK. That is not the whole sentence. The sentence begins with the words :

In order to determine the scale of expenditure.

Mr. HENDERSON. I think I am quite fair. It gives a summary detail of the cost of maintenance of the post office for the month of June, 1896, and on that basis it would be $5,031,648 for twelve months, and the Postmaster General takes that as the expenditure for the year 1895-96.

Sir WILLIAM MULOCK. I do not.

Mr. HENDERSON. The account goes on to give the figures for civil government ; departmental expenditure ; and so on, which amounts to $4,051,080, to which, if is added the deduction from the revenue, viz., $980,570, makes exactly $5,031,650.

Sir WILLIAM MULOCK. That is the estimate for the future year. It is entirely a different thing.

Mr. HENDERSON. If the Postmaster General is right I will apologize.

Sir WILLIAM MULOCK. Then you had better apologize.

Mr. HENDERSON. The apology will come from the other side of the House.

Sir WILLIAM MULOCK. If the hon. gentleman nominates a competent person to interpret this I will accept him as an arbiter between us. I will leave it to the Auditor General.

Mr. HENDERSON. I take no exception to the Auditor General. He was in parliament long before I came here and I never had any reason to find fault with him. The report goes on and gives several details, and it strikes a balance that the total arrears would be $685,447.03, just exactly the amount the Postmaster General placed in the estimates in 1897 and had voted by parliament and charged up to the consolidated revenue of this country. That is the way the Postmaster General arrived at the amount of shortages for the twenty years. He did it by the mode of calculation which I have pointed out, as any hon. gentleman will agree with me when he reads the report of these auditors. The Postmaster General endeavoured to make it appear that this was done for a different purpose from what I say, and that is the reason why I interrupted him.

Sir WILLIAM MULOCK. The hon. gentleman (Mr. Henderson) is hopeless. He is possibly the only gentleman in this whole committee who will pledge his reputation to such an argument. I assure him that he is entirely in error. If he has the slightest desire to be informed on the subject, I would recommend him to go to the Auditor General and see if the Auditor General will support him in that contention. I again say for his information—and know what I am talking about—that the auditors came here and examined the vouchers for the year 1895-6. They did not estimate ; they ascertained the facts. They ascertained that the expenditure was so much and that the revenue was so much, and they found that the expenditure exceeded the revenue by $781,000 for the fiscal year 1895-6. The estimate my hon. friend mentioned was simply an estimate made for my future guidance, as I explained before.

Mr. HENDERSON. Was it just a peculiar coincidence that that estimate was exactly to one cent the amount which the hon. gentleman asked this House to vote to cover the overlapping for twenty years previous ? If it was it was a most remarkable coincidence.

Sir WILLIAM MULOCK. I do not know what the hon. gentleman is talking about, and I do not think anybody else understands his figures. The expenditure for the year 1895-6 was $3,665,011.30. In addition to that there were arrears amounting to $685,437.03. These figures together make $4,350,448.33. Deducting from that total sum the net revenue for that year, $2,964,014.23, leaves a balance of $1,386,434.10 to be accounted for. I am not pretending to say that this whole shortage was to be charged against that fiscal year ; but a portion of it, according to the finding of the auditors $780,000, was to be charged against the year just closed and the balance against previous years. That is the transaction in a nutshell. Parliament voted in one form or another $1,386,434 in excess of the revenue of the fiscal year 1895-6. It would be very unfair if I should attempt in my accounts to charge the whole of that shortage against the fiscal year 1895-6. We did not do that : but the auditors found that a portion of that amount represented accumulations of arrears of previous years ; and those accumulations were made a special vote, leaving $780,000 as a clean deficit against the operation of the fiscal year ending the 30th June, 1896.

Mr. J. J. HUGHES. The contention of our hon. friends opposite is that the deficit found in the accounts of the Post Office Department for the year ending the 30th June, 1896, was an accumulation of deficits for some eighteen or twenty years previous.

Mr. HENDERSON. That is not the contention at all.

Mr. J. J. HUGHES. What is the contention then ?

Mr. HENDERSON. I understood the hon. gentleman to say that we were contending that the $780,000, the deficit shown by the Postmaster General's report, was an accumulation of deficits. No hon. gentleman on this side of the House said so. The hon. gentleman is confusing the overlappings for twenty years, or deficits in the amount estimated to carry on the work of the department for that period, with the difference between revenue and expenditure, which is an entirely different thing.

Mr. J. J. HUGHES. I do not quite understand my hon. friend. However, I have gone into this matter a little, and I think that even with that little I shall be able possibly to throw some light on the question. I have gone back as far as the year 1887. The report of the Postmaster General for the year 1888 says :

The postal revenue of the year as shown by the statement was $2,966,397, but owing to the change in the system of accounting for the revenue, which commenced on 1st July, 1888, said revenue cannot be compared with the preceding year, without taking into consideration the fact that certain amounts belonging to the year, but not deposited in the bank until after the 30th June, 1888, were, contrary to the system which formerly prevailed, brought to account in this year. This analysis would give a revenue of $2,751,139 as against $2,603,255 for the preceding year ; and a deficit of $782,258, as against $854,845 for the preceding year.

This is signed by the then Postmaster General, John Haggart. Now, if the contention raised by our hon. friends opposite were correct, that the deficit of one year was carried into the next, you would find that the deficit for the year 1888 was $72,587 less than that of the previous year, or in other words, that there would be actually a surplus of that amount in the operations of the year 1888. I understand, however, that there has never been a surplus in the Post Office Department since confederation until a year or two ago. This fact itself will show that the deficits were not carried forward from year to year, but that each year was accounted for by itself.

Mr. CLANCY. The hon. gentleman knows that when the estimates are voted for the Post Office Department, the question of what the revenue may be is never taken into consideration. The deficit, if there is any, must arise, not between the receipts and expenditures, but between the sum voted and the actual expenditure.

Mr. J. J. HUGHES. This report for the year 1888 gives the actual figures. The revenue, the expenditure and the deficits for several years were as follows :—

Year.	Revenue.	Expenditure	Deficits.
	$	$	$
1888.....	2,751,139	3,533,397	782,258
1889.....	2,220,503	2,982,321	761,818
1890.....	2,357,388	3,074,469	717,081
1891.....	2,515,823	3,161,675	645,852
1892.....	2,652,745	3,316,120	663,375
1893.....	2,773,507	3,421,203	747,696
1894.....	2,809,341	3,517,261	707,920
1895.....	2,792,789	3,593,647	800,858
1896.....	2,964,014	3,665,011	700,977
1897.....	3,202,638	3,789,478	586,540

In 1897 reduction had been made in the rate of postage and there were no changes in the department. But there were some reductions, I believe, in the cost of carrying the mails, yet notwithstanding these reductions the deficit in that year amounted to $586,54. Now according to the contention of

our hon. friends opposite, the deficit was about $40,000 a year, extending over a period of some eighteen or twenty years, but how can they reconcile that statement with the fact that in 1897 it amounted to $586,540 ? In that year the Postmaster General started with a clean slate and in the name of common sense, how could the deficit amount in one year to $586,540, after some reductions had been made in the cost of carrying the mails, if the average deficit had been only $40,000 a year ?

Mr. BELL. According to your figures there was a decrease every year.

Mr. J. J. HUGHES. No, there were increases and decreases.

Sir WILLIAM MULOCK. From 1895 there was a decrease.

Mr. J. J. HUGHES. Yes, but only a small decrease. 1896 was only $100,000 less in round figures than 1895. I have taken these figures from the reports of the Post Office Department, which are authentic and which consequently nobody will dispute. I have taken the figures from 1887 and have shown the deficit every year. It went up some years and down others, which proves that the contention of our hon. friends opposite cannot be correct.

Mr. BLAIN. How was that money paid ?

Mr. J. J. HUGHES. I am not explaining that, but am simply giving the actual figures of the departmental reports. In the year 1888, when Mr. Haggart was Postmaster General, he said positively that the deficit for 1887 was $854,845 and that the deficit for 1888 was $782,258. If the deficit of 1887 had been carried forward and charged in the expenditure of 1888, there would have been an actual surplus of $72,587 in the latter year, which no hon. gentleman will contend for a moment could have been the case. These figures prove conclusively that the deficit in the Post Office Department for the year ending the 30th of June, 1896, was not the accumulated deficit of the preceding years, but the actual deficit on that year's operations.

Mr. HENDERSON. I am very grateful to the hon. gentleman because he has unwittingly furnished a very powerful argument to sustain the position I have taken. The hon. gentleman went back to 1887 and pointed out the difference between revenue and expenditure. Then he took the following year, and showed that the deficit was somewhat greater and followed it up from year to year.

Mr. J. J. HUGHES. On the contrary, I have shown that the deficit for 1888 was somewhat less than it was in 1887, which shows that the deficit of 1888 was not the accumulated deficits of the preceding years.

Mr. J. J. HUGHES.

Mr. HENDERSON. Taking the figures on the whole, there was an increase from year to year.

Mr. J. J. HUGHES. I beg my hon. friend's pardon. The deficit in 1887 was the greatest we have any record of. It amounted to $854,845, so that it is impossible that that deficit was carried forward into the accounts of the succeeding year.

Mr. HENDERSON. I certainly did not understand the hon. gentleman to say that, but, however, that may be. I understood from him that for a period of some six or eight years, the difference between revenue and expenditure was gradually increasing until we came to the year 1895-6. The hon. gentleman has got the figures somewhat fixed. What we have been discussing is the matter of actual expenditure as compared with the amount estimated and not so much the difference between revenue and expenditure. The Minister of Trade and Commerce (Sir Richard Cartwright), in 1897, stated, when this item of $685,447 was voted and charged up to the consolidated revenue of the country, that this sum was made up of the accumulated deficits for about twenty years.

Sir WILLIAM MULOCK. And what about the $780,000 ?

Mr. HENDERSON. That is an entirely different sum.

Sir WILLIAM MULOCK. Hear, hear.

Mr. HENDERSON. I am glad to see that the hon. gentleman is coming to my view. And that sum was larger in 1896 than it was in 1895.

Sir WILLIAM MULOCK. A different sum though.

Mr. HENDERSON. But it was gradually growing.

Sir WILLIAM MULOCK. No, there was no part of this in 1895-96.

Mr. HENDERSON. Because it was the shortage of the estimates, when there was a shortage as there was not every year—

Sir WILLIAM MULOCK. There was.

Mr. HENDERSON. I have the figures here to show that there was not a shortage every year. Perhaps the hon. gentleman has not looked it up.

Sir WILLIAM MULOCK. I know the statement of the auditors.

Mr. HENDERSON. I may mention a case. The estimates in 1895-96 were $3,664,831, and the expenses $3,593,647. I might take other years—but, as a rule, I agree, the expenditure did exceed the estimates, and there was an overlapping. Each year the account overlapped, of course, the amount was added to the deficits of previous years ; and hence, year after year, as there

occurred this shortage between the estimates and the actual expenditure, this apparent deficiency in the expenditure was gradually getting larger. And, as I stated before—and I repeat it for the benefit of the hon. gentleman from Prince Edward Island (Mr. Hughes)—in 1895, at the beginning of the year there was an amount of $616,712.99 as a result of the deficits of previous years; not the deficits in revenue, but the deficits arising from the fact that the government were spending more money than they had estimated for; or, as Sir Richard Cartwright said they had been outrunning the constable. Now, the Postmaster General said, in 1896 there had been $68,734.04 more expended than was estimated for; consequently he adds that to the $616,712.99, and he makes a deficit of $685,447—not a deficit between the revenue and expenditure, but a shortage brought about during the course of twenty years by expending during the course of these years a larger sum than had been estimated for.

Mr. J. J. HUGHES. If my hon. friend (Mr. Henderson) will pardon me—I did not take estimates into account at all; I considered actual expenditure and actual revenue.

Mr. HENDERSON. Then, all I can say is that the hon. gentleman (Mr. J. J. Hughes) has been discussing a different subject altogether from that which came up this afternoon.

Mr. CLANCY. I listened with some interest to what the hon. gentleman (Mr. J. J. Hughes) had to say this afternoon because he came to the rescue of the Postmaster General. But the question discussed this afternoon was not how the post office account stood as between revenue and expenditure, but how it stood between the sums voted by parliament each year and the expenditure. For, as every hon. gentleman knows, no question has arisen in this House in any case as to the revenue from the Post Office and the expenditure on the service—the revenue is not even an incident in it. When the Postmaster General makes up his estimates for the year he does not consider what the revenue is going to be; he simply asks to carry on the service. If there has been an overlapping, as my hon. friend from Halton (Mr. Henderson) has stated, that must arise as between the sum voted by parliament and the sum necessary to expend during the year. Let me take the year in which this overlapping of $68,000 is said to have arisen. I would not like to attempt to pass judgment upon able men like Mr. Cross and Mr. Munro, but there is something very wonderful about their statement:

Conclusions.—(a.) At the beginning of the fiscal year 1895-6, as a result of the deficits....

Mark the word, for this is a direct contradiction of the hon. gentleman from King's (Mr. J. J. Hughes).

—deficits of previous years, there were outstanding liabilities of the department, in the shape of unpaid accounts, to the amount of $616,712.99.

Now, before I go further let me consider what that meant. That meant that there were accounts outstanding and unpaid; that parliament would require, in order to clean the slate, to vote a sum equal to $616,712.99, and that sum aggregating this total would have to be paid to some person to square accounts outstanding and unpaid—I am using the words of the auditors. It did not mean that this was a book-keeping matter as between departments; it did not mean that one department had borrowed from another; or that we had borrowed from the banks to cover that amount; but that this total sum was owing to the individuals or corporations in the form of accounts outstanding and unpaid, and that, if the money was voted, the amount of the accounts would be seen afterwards and to whom the moneys were paid. I am sure that my hon. friend (Mr. J. J. Hughes) will agree that this is the case. If he were asked to point out the accounts he would be puzzled because there were no accounts in existence. Let me follow up the statements:

(b.) At the close of the fiscal year 1895-96, the liabilities of the department, in excess of all parliamentary appropriations applicable thereto amounted to the sum of $685,447.03.

(c.) Thus the liabilities had increased during the year 1895-6 to the extent of $68,734.04.

Now, look at the parliamentary appropriation. The appropriation for the year 1895-96 was $3,664,831, and the expenditure for the year was $3,593,647, or an expenditure of $71,184 less than the appropriations. How does the hon. gentleman account for that? The trouble is that these gentlemen, able as they are, confused the statement by dragging in the revenue of the post office, which has absolutely no more to do with it than if it belonged to another service. Even if we did not get a dollar of revenue we should have to carry on the service. I would like some gentleman opposite, perhaps the member for King's (Mr. Hughes), to explain how it is that we find for that year a difference between the expenditure and the sum voted for the service of $71,000 which was unexpended during that year.

At the beginning of the fiscal year 1895-6, as the results of the deficits of previous years, there were outstanding liabilities of the department in the shape of unpaid accounts

These unpaid accounts must have been held by some one, and either this report must be discredited or the persons or corporations who held these unpaid accounts must be produced. There are no such accounts in existence and this is a mere fiction.

Sir WILLIAM MULOCK. The hon. gentleman continues to quote from this report to discredit these two auditors.

Mr. CLANCY. I have not said so.

Sir WILLIAM MULOCK. He refuses to accept their figures. Let me give the figures of the auditors. These figures have been before the country for seven years without being challenged.

Mr. HENDERSON. Oh, no.

Sir WILLIAM MULOCK. They were never challenged before.

Mr. HENDERSON. I have challenged them lots of times in the country.

Sir WILLIAM MULOCK. Never in this House. I do not know what he may have done in the country but he never challenged them in this House, and they cannot be successfully challenged on the floor of this House. The auditors in question found what ? The actual cost of maintenance of the department in all its branches for the year 1895-6 was $4,985,327.53. That is the actual gross cost of maintaining the department in all its branches inside and out for the year without any reference to arrears, from previous years. The actual cost of running the department for this one year was that amount. They also found that

> The revenue of the Post Office Department for the fiscal year ending June 30, 1896, amounted to the sum of $3,957,798.51 ; which, deducted from the above-named gross cost of maintenance, namely, $4,953,275.30, leaves a deficit of $1,027,529.02.

The auditors go on to say

> Heretofore it has not been the practice to treat the amount expended under the head of civil government as a charge against the department, and were such practice adhered to the deficit would be reduced . . . by $246,376.83, leaving the outside service shortage $781,152.19.

So they report that the cost of running the department for one fiscal year ending June 30th, 1896, without taking into account arrears accumulated prior to the commencement of that year, exceeded the revenue by $781,000 so that the taxpayers of Canada were obliged to pay $781,000 that year to made ends meet in addition to having to pay the $685,000 by special vote to cover up a lot of arrears. The hon. member for King's (Mr. Hughes) has given us the deficits of previous years. What do they mean ? He began in 1887, and without taking his figures in detail, we will assume they represented an average annual shortage of $750,000. That means that in 1887 the taxpayers of Canada voted $750,000 to supplement the revenues of the department in order to pay its working expenses for that year, and I suppose that the following year they voted another $750,000 to pay the shortage of running it that year and so on year by year, the taxpayer voted $750,000 each year to pay the shortage over and above the revenue. Even these payments did not meet the running expenses, they did not clean the slate, and they still allowed overdue debts to accumulate until they amounted in all to $685,000. That also had to be paid by the taxpayers, so that the year we came into office, the year 1896 the taxpayers of Canada paid $680,000 arrears of accounts.

Mr. CLANCY. To whom ?

Sir WILLIAM MULOCK. To the persons who carried on the services of the post office, railways, carriers, clerks, and all and sundry who carried on the work of the post office for that year notwithstanding there was $685,000 to be paid, and that had to be borrowed by the people of Canada, added to the consolidated fund and there it is added to the debt of Canada. That is the meaning of a deficit in the Post Office Department as we are discussing it, how much it costs the taxpayer over and above the revenue of the office. That is what the taxpayer wishes to know. Instead of the taxpayers having put their hands in their pockets and pay out $780,000 a year over and above the revenues of the department last year we handed over to the treasurer of the country, the Minister of Finance, $292,000 and in addition to that we have not reduced the usefulness of the service in any way, but we have reduced the taxation on domestic letters from 3 to 2 cents. We have also reduced the charge on letters from Canada to the United States from 3 to 2 cents, and also the rate on letters from Canada to every part of the British empire, from 5 to 2 cents. So much less was paid by those who use the post office, that to-day, as was said by one of the hon. gentleman's colleagues some years ago, no less a person than the late Finance Minister, the Hon. Geo. Foster, who was endorsed by the late leader of the Conservative party (Sir Charles Tupper) the government in reducing the rate left $1,000,000 more in the pockets of the people who use the post office. Hon. gentlemen opposite must agree to the statement unless they repudiate Mr. Foster and Sir Charles Tupper. The people have had $1,000,000 left in their pockets because of the reduced rates and also $780,000 left in their pockets because they are not called upon to pay a deficit. In addition to these advantages we have put practically $292,000 into the treasury as the net profits for the operation of the year.

Mr. HENDERSON. The Postmaster General has presumed to make his stump speech intended to be followed by his followers in the country and I do not think it fair to allow this to go without being answered. He has boasted of his reduction of postage. He has a short memory. Can he recall the time under Conservative rule when the postage on domestic letters was 5 cents and the Conservative party reduced it to 3 cents, a greater reduction than he ever made ? Can he not recall the fact that the Conser-

vative party still further reduced the postage to people in this country when they issued post cards and gave a one cent rate all over the country ?

Can he not recall the fact that about 1892 or 1893 the Postmaster General of Canada, a Conservative, practically cut the postage in two when he gave the people the same rate for a whole ounce as formerly had been given for a half ounce ? Can he not recall the fact that he has not reduced the postage of this country by $1,000,000 because he has only given a reduction in so far as postage is concerned on the three cent rate ? He has done nothing at all for the man who puts a drop letter in the post office and we know that a large number of letters sent through the mails are drop letters. If he had been fair to the people he would have reduced the drop letter rate by one half and the reason that he did not do it was because tariff for revenue was his policy. What about the people in the cities who are paying a two cent rate on drop letters just the same as they had been paying previously ? How can the hon. gentleman come here and say that he has reduced the postage by one third? What about the newspaper postage ? Formerly newspapers were passing free all over the country ; now the hon. gentleman has to tax knowledge in order to get revenue to reduce the deficit accruing from the fact that he has reduced the postage from three cents to two. What about the fact to-day that in hundreds and thousands of instances you will find men paying ten to twelve cents on a packet that formerly went for from two to four cents ? The farmers of this country are paying that. If the hon. gentleman were a lawyer in the country and if he had a client coming in to get him to draw a deed and if the client said that he wanted him to send that deed to Toronto for registration what would be the result ? He would have to inclose it in a closed packet and pay twelve to fourteen cents postage when it formerly went for two cents. That is the way the hon. gentleman makes up his deficit though he boasts that he has reduced the rate of postage. He reduced it in one direction but he took mighty good care to put it on in another. I will not say to an extent twice as much, but he has made large additions indeed. That is the phase of the question that I understood would be the subject of the hon. gentleman's stump oration, a stump oration to be repeated by his followers all over the country. Now, the hon. Postmaster General has drawn attention to a speech of the hon. member for King's, P.E.I. (Mr. Hughes). He came to his support——

Mr. J. J. HUGHES. No, no.

Mr. HENDERSON——and he pointed out that in 1896 there was a deficit of $781,152.19, between the revenue and expenditure. I have been this afternoon hour after hour endeavouring to get into the brain of the hon. Postmaster General how that was brought about and I confess that I am sorry to say that I have not been more successful. I think I have been somewhat more successful with some other hon. gentlemen but I hope that when the hon. gentleman sleeps over the whole matter he will see that there is a great deal in my contention. The hon. member for King's P.E.I., gave us a statement of what the deficit was in 1887. Although it might have been larger in that year than in 1897, there is, I think, no question about this that on the whole, taking the average for the last twenty years, the deficit has been increasing. The hon. Postmaster General will not tell me that the difference between the revenue and expenditure was as large twenty years ago as in 1897. I believe there is only one year in the history of the Dominion when the revenue of the Post Office Department met the expenditure and that was under a Conservative regime, aside from what the hon. gentleman claims now when he leaves out Atlin and the Yukon.

Sir WILLIAM MULOCK. Even including these.

Mr. HENDERSON. Very well, we will give the hon. gentleman credit for everything he can properly claim. We do not wish to detract one iota from anything that is due him, but I say that during the twenty years preceding 1897 there was gradual increase in this apparent difference between revenue and expenditure. The right hon. Minister of Trade and Commerce (Sir Richard Cartwright) explained that in 1897, when he, in the absence of the Postmaster General asked this House to put through an item of $685,447.03 to make up what he claimed was the amount of the shortage in the payments of the hon. Postmaster General's department. Now, in each of these years—I dislike, to repeat the matter so often, but I must repeat it again—there was a regular system as the right hon. Minister of Trade and Commerce said. He said that the Conservative party had been outrunning the constable all that time and that they had been gradually paying out more money year after year—I do not say every year—than parliament had appropriated for the purpose. The result was that when the end of the year came there was a sum of money due by the department to somebody, perhaps to railway mail clerks, perhaps to postmasters, or to mail carriers that there was no provision for. But, these men had to be paid and what did the government do ? They simply had them paid out of the appropriation for the following year and that practice the Auditor General considered to be perfectly legitimate and allowable. I am not discussing the practice, whether it was a good or a bad one. I am not finding any fault with it because it is a thing of the past now. Perhaps it would have been

better if some other system had been pursued. Nobody is finding any fault with what had been done at that time, because the country lost no money by it, but each year the apparent difference between the revenue and expenditure was increased by reason of this overlapping. The hon. Postmaster General may shake his head but he need not tell me that you can do that for twenty years and not find a difference of that kind. We have the statement of the right hon. Minister of Trade and Commerce as to the way in which this was brought about. In 1897 it turned out that this amount had reached a total of $685,447.03. My contention is that the $781,152.19 included the $616,712.99 that overlapped from 1894 into 1895 that these auditors found unprovided for at the beginning of the year 1895. They found these accounts outstanding, and the hon. Postmaster General has failed to tell us any other way in which these accounts were paid unless they were taken out of the vote for 1895-96. The only conclusion we can come to is that they were taken out of the vote for that year, and that they were charged up to the department as part of the expenditure for 1895-96. When these two gentlemen came down from Toronto to audit these accounts they took the accounts outstanding, and they found a certain amount and that amount included the overlapping from the previous year just the same as you found that there were accounts overlapping from 1893 to 1894 ; hence the amount they set down as the expenditure for 1895-96 is too large by $616,712.99 just the same as previous years are in excess of what they ought to be by the amount of this overlapping from year to year. I think that is a fair statement of the case and I think the hon. Postmaster General is entirely wrong when he says that there was a difference that year of $750,000. Why, he is counting the same sum every year. It was this $616,712.99, or a similar sum a year previously, or a larger sum as the case might be that apparently increased the expenditure every year. Consequently, instead of being twenty times $750,000 it was the same $616,000 or a lesser sum all the time. That much was added to the expenditure each year. And that ought not to have been added if the other system had been adopted. Consequently this fabulous sum which the Postmaster General speaks of as having been paid by the country is a mere myth. I notice that the Postmaster General had a significant smile on his face when he made the statement, as though to say, this will be nice campaign literature, and it will give a very favourable impression of the present government. Well, if each member of this House spends as much time studying this question as I have, and if we are fortunate to meet here another year, we will all come to the conclusion that there has been a considerable mistake in the accounts of the Postmaster General, just as the Finance Minister admits that there is a difference of $3,000,000 between his statement of the public debt as it actually is, and what it is represented to be. There is the Minister of Customs looking straight at me. What does he do ? Six million bushels of corn pass in transit through Canada, and he calls that 'imports,' and exports and figures on it that the trade of the country has increased about $12,000,000. The fact is we can no longer accept as gospel everything that appears in a blue-book.

Sir WILLIAM MULOCK. My hon. friend (Mr. Henderson) takes exception to everything I do or have done, and one of his latest charges is that I have not reduced the rate on drop letters in cities from two cents to one cent or to half a cent. The hon. gentleman has suddenly become an advocate of the residents of the cities. Well, people in cities have their letters delivered at their houses, and I agree with the preceding government, that as the patrons of country and village post offices are obliged to go for their letters, the drop letter rate for them should be only one cent as against two cents in the cities where the residents have the greater convenience and advantage. But my hon. friend from Halton would take the burden off the residents of the cities and put it on the people in the country districts.

Mr. J. D. REID. He did not say that.

Sir WILLIAM MULOCK. Well, the burden has to be placed somewhere, and if you relieve the residents of cities, the tax will fall upon the unfortunate inhabitants of the country districts, about whom my hon. friend (Mr. Henderson) is so deeply concerned at election times. I do not believe that any hon. gentleman in this House, will say with my hon. friend (Mr. Henderson), that this $685,000 is included in the deficit of $700,000. I do not think that even the hon. gentleman from Bothwell (Mr. Clancy) will say that.

Mr. J. D. REID. I think he will.

Sir WILLIAM MULOCK. I will not call him as a witness because I am doubtful about him. Will my hon. friend from Bothwell (Mr. Clancy) follow these figures. Parliament voted in 1896 for the service of 1896 : $3,664,831.49. Parliament also voted in that year $685,447.03 to pay the deficit. These two sums together amount to $4,350,278.52. That amount was paid out in payment of the expenditure for the year and in payment of the expenditure for previous years which remained unpaid, or which were taken out of the appropriation for the current year. The net revenue for that year was : $2,964,014.23 ; deduct that from the expenditure which parliament voted and you

have a balance of $1,385,264.29. Parliament voted, and there was expended for these two purposes : maintenance for the current year and payments of the arrears of debt, a sum of money which reduced by the amount of the revenue for the year left, $1,386,264.29. That in one sense is a deficit ; that is the difference between the revenue and the expenditure. But, a portion of that $1,386,264.29 consists of $685,447.03, the accumulated arrears. It would not be fair to charge the whole of that accumulation against the fiscal year 1895-6 and it is not so charged in the books of the department ; but only so much thereof as belongs to 1895-6. Deducting therefore if you choose, the $685,447.03, it leaves a balance of $700,987.07 as the portion of the deficit properly chargeable according to these figures, against the revenue of 1895-6. In addition to that $700,000, there is some $80,000 also to be added, but which does not appear to be carried into that account; probably not having been disbursed before the account was closed. The hon. gentleman will see that the $685,000 is not included in the $700,000, but is an addition to it, making together the grand deficit $1,386,434.10. I have tried to be fair in apportioning that deficit against the years to which it belongs.

Mr. J. J. HUGHES. I understood the hon. member for Bothwell to say that the surplus in the Post Office Department, or the deficit, as the case might be, did not depend on the revenue and expenditure.

Mr. CLANCY. I did not say that. I said that the deficit between the revenue and expenditure was a matter by itself, and the deficit between the appropriations and the expenditure was another matter, and was the matter we were now discussing.

Mr. J. J. HUGHES. The real deficit or surplus surely depends entirely and absolutely on the revenue and expenditure.

Mr. CLANCY. I will prove to the hon. gentleman that both he and the Postmaster General are utterly at variance with the auditors. If I understood the Postmaster General aright, he speaks of the deficit arising between the revenue and the expenditure. The hon. gentleman was accounting for a sum that was still unpaid and that had to be provided for.

Sir WILLIAM MULOCK. I was explaining the amount that the tax-payers had to pay over and above what the office earned.

Mr. CLANCY. Let us see what the auditors say on that point. After stating that there was a balance in the year before of $616,712.99, they say :

> At the close of the fiscal year 1895-6, the revenues of the department in excess of the parliamentary appropriation available hitherto amounted to the sum of $685,447.

The hon. gentleman's own auditors declare that the deficit did not arise between the revenue and the expenditure of the department, but between the parliamentary appropriations and the actual expenditure of the department. Now, I will sit down until the hon. gentleman explains that away; because when we have settled that question, we will make the matter so clear that there will be no difficulty about it.

Sir WILLIAM MULOCK. I think I have made it quite clear to those who have given me their attention that the taxpayers were obliged to pay in 1896 $780,000 more than the office earned, and also $685,000 to pay some back accounts that had accumulated in the previous years. Technically, the amounts were paid out of the appropriations, which were obtained by the Minister of Finance, and went to be added to the public debt of Canada.

Mr. CLANCY. I ask the hon. gentleman to explain why he took one position, and the auditors took precisely the opposite ?

Sir WILLIAM MULOCK. No, they did not. Read the whole of their report.

Mr. CLANCY. The hon. gentleman has refused to make that explanation. He must either repudiate the position taken by the auditors, namely, that the deficit arose between the parliamentary appropriations and the expenditures, or else his own statement.

Sir WILLIAM MULOCK. If the hon. gentleman will have the frankness to read three sentences down, he will find that the auditors found a deficit of $780,000 on the operations of the year.

Mr. CLANCY. I will read the whole thing. I am not withholding anything. It is headed ' Conclusions ' :

> (a.) At the beginning of the fiscal year 1895-6, as the result of the deficits of previous years, there were outstanding liabilities of the department in the shape of unpaid accounts to the amount of $616,712.99.
>
> (b.) At the close of the fiscal year 1895-6, the liabilities of the department, in excess of all parliamentary appropriations available hitherto, amounted to the sum of $685,447.03. Thus the liabilities have increased during the year 1895-6 to the extent of $68,734.04.

Now, before reading further, I will ask the Postmaster General to reconcile his position in declaring that the deficits arose between the revenue of the post office and the expenditure, as against the statement of the auditors that it arose between the parliamentary appropriations and the actual expenditures of the post office.

Sir WILLIAM MULOCK. Read the whole report, please.

Mr. CLANCY. I will read it further down:

> (d.) The actual cost of the maintenance of the Post Office Department in all its branches for the year 1895-6 was $4,985,327.

That is the gross. The actual expenditure of that year was $4,705,282.

The revenue of the Post Office Department for the fiscal year ending 30th June, 1896, amounted to $3,957,798.51.

They give the net revenue and take that from the gross expenditure. Now, the net revenue of the Post Office Department for that year was $4,005,891. That statement is unworthy of two gentlemen of the reputation of the auditors.

Sir WILLIAM MULOCK. Has the hon. gentleman any objection to reading the rest of the report ?

Mr. CLANCY—None whatever :

The revenue for the Post Office Department for the fiscal year ending 30th June, 1896, amounted to $3,957,798.51, which, deducted from the above-named gross cost of maintenance, namely, $4,985,327.53, leaves a deficit of $1,027,-529.02.

That is not the deficit the hon. gentleman discussed at all, because he said the deficit in that year was, not $1,027,529.02 but $68,-734.

Sir WILLIAM MULOCK. Will the hon. gentleman read what is under his eyes ?

Mr. CLANCY. I am reading that. I can surely make it clear——

Sir WILLIAM MULOCK. Do not be afraid to read the report.

Mr. CLANCY. I am not afraid.

Sir WILLIAM MULOCK. Why then do you not read it ?

Mr. CLANCY. The hon. gentleman wants to slide over that thin ice and I am not disposed to allow him. His auditors declared that there was a deficit between the parliamentary appropriations and the expenditure of $68,000 in 1895-6. The same auditors declared that there was a deficit between the gross expenditure and net revenue of $1,-027,529. Which does the hon. gentleman take? Which position does he take in discussing this matter? Is he discussing it on the difference between the revenue and expenditure or between the parliamentary appropriations and the expenditure ? I venture to say he dares not make a choice.

Sir WILLIAM MULOCK. My comparisons are between the actual expenditure and the actual revenue, and that is what the auditors took. The hon. gentleman will not read the rest of the report.

Mr. CLANCY. The hon. gentleman is not so fair as he would like to appear. It is perfectly clear that the auditors declared that between the parliamentary appropriations and the expenditure for 1895-6, there was a difference of $68,734.04. Their report also declares that between the gross expenditure adn the net revenue there was a deficit of $1,027,529.

Sir WILLIAM MULOCK. Why is the hon. gentleman afraid to read the whole of the report ?

Mr. CLANCY—I shall conclude reading it. I had read down to 'f.'

Heretofore it has not been the practice to treat the amount expended under the head of 'Civil Government' as a charge against the department, and were such practice adhered to, the deficit of $1,027,529.02 would be reduced to $246,376.83, leaving for the outside service a shortage of $781,152.19.

Sir WILLIAM MULOCK. That is right.

Mr. CLANCY. What comfort does the hon. gentleman get from that ?

Sir WILLIAM MULOCK. Might I put the same question to my hon. friend ?

Mr. CLANCY. It has nothing to do with what we are discussing at all. It is not the sum which the hon. gentleman claims should be voted by parliament as the deficit in the past.

Sir WILLIAM MULOCK. It had been nearly all voted.

Mr. CLANCY. Because he claims that the deficit in the past was not that sum but $685,447. Therefore it does not mean that. I will conclude :

During the fiscal year 1895-6 there were increases of a permanent character to the cost of the service. Such increases were not in existence throughout the whole of the fiscal year 1895-6, but they will occasion an increase in the expenditure of the year 1896-7 over 1895-6.

I presume that part of the statement is what the hon. gentleman referred to as telling him what he would require for the next year. But it is not dealing with the former years at all. I think we have made it perfectly clear that the hon. gentleman has come down with a report by the auditors specially appointed for the purpose, and that the auditors declare one thing, whether it be true or not, and the hon. gentleman declares the very opposite. He declares he is discussing the question wholly upon the revenue and expenditure of his department, and the auditors have discussed it on the ground of finding whether there was any overlapping on any sum to be voted to cover the expenditure of the past year. They discussed it entirely upon the ground of the parliamentary appropriations.

Sir WILLIAM MULOCK. They discussed one item on that ground. Others they did not.

Mr. CLANCY. The hon. gentleman asked $685,000. That is the sum the hon. gentleman said was not paid.

Sir WILLIAM MULOCK. There was no appropriation for it.

Mr. CLANCY. We will see how we arrive at that.

Mr. SCOTT. What is the date of that report.

Mr. CLANCY. This is dealing with the accounts of 1895-6, the last year when the Conservative government was in power.

Mr. SCOTT. Has the hon. gentleman anything dealing with matters some fifty years older ? Or has he any information relating to matters say a dozen years earlier ?

Mr. CLANCY. I am taking the conclusions of the auditors referred to by the Postmaster General, and I am doing so in order to find out the true standing of the matter. This is what they say and how they arrive at the conclusion that $685,447 must be voted by parliament.

Mr. SCOTT. Is the matter which we have spent some hours in discussing now of the slightest interest to anybody in the country? How is anybody to be affected by it ?

Mr. CLANCY. If the hon. gentleman had paid any attention to the discussion, he would know it is of some importance to the country to find that the Postmaster General makes a statement to the House which is at variance with the auditors' report.

Sir WILLIAM MULOCK. I have not done anything of the kind.

Mr. CLANCY. Is it of no importance that the hon. gentleman should make a statement at variance with the authorities he produces ?

Sir WILLIAM MULOCK. Let the hon. gentleman specify any statement which he says I made, which is at variance with the auditors' report.

Mr. CLANCY. He said that the sum to be voted to cover the deficit in the service arose out of a difference between the revenue and the expenditure of the Post Office Department.

Sir WILLIAM MULOCK. I never made any such statement.

Mr. CLANCY. What statement did the hon. gentleman make ? How did it arise ?

Sir WILLIAM MULOCK. How did what arise ?

Mr. CLANCY. How did the deficit arise, which he says he asked parliament to vote a sum to cover ?

Sir WILLIAM MULOCK. There are two transactions referred to in this report.

Mr. CLANCY. The hon. gentleman is smiling because he is in a hole.

Sir WILLIAM MULOCK. I am smiling both at the simplicity of my hon. friend and his ingenuity in giving a distorted appearance to a very plain statement. The auditors had two things referred to them. One was how much it cost the taxpayers to carry on the Post Office Department for the fiscal year 1895-6. That reference was wholly irrespective of any parliamentary vote. The most of that money had been voted the previous year—1894-5—and there was very little of the expenditure for 1895-6 actually unpaid, except that it had, in the bookkeeping sense been represented unpaid because the appropriation for that fiscal year had been drawn upon to pay the arrears of $616,000 odd. But all the auditors had to do for our information was to ascertain how near the department was to being self-sustaining. That did not depend upon the vote of parliament.

Mr. CLANCY. Mark the word 'self-sustaining.'

Sir WILLIAM MULOCK. I say they had to find the difference between the revenue and the expenditure, the difference between the cost of maintenance and the amount of earnings. They found, for the fiscal year ending 30th June, 1896 the revenue fell short $780,000.

Mr. CLANCY. That is the opposite of what they found.

Sir WILLIAM MULOCK. That is what they found. They found $780,000 more expended out of the general taxes than was collected——

Mr. CLANCY. Just the opposite.

Sir WILLIAM MULOCK. The hon. gentleman (Mr. Clancy) will please let me furnish my statement. I do not wish to bandy words about it,—the thing is too plain. As to the arrears of account they found that there were $685,000, this being in respect of the arrears of the years previous to 1st of July, 1895, except as to this amount of $68,000. Of this amount of $685,000, they found that $616,000 was represented by arrears of previous years, and it had been added to by $68,000 during the current year. For this there was no appropriation, and parliament paid, and the officers of the government disbursed in the payment of these two items—the arrears before 1896 and the cost of carrying on the service for 1895-96—$4,350,000. And there was paid into the revenue $2,964,000. So that the disbursements by the country in excess of the revenue were $1,386,264.29.

Mr. HEYD. That is plain enough.

Sir WILLIAM MULOCK. The whole excess is not properly chargeable to the operation of the department for the fiscal year of 1895-96, but we charge against previous years $616,000, which was owing at the beginning of the fiscal year 1895-96, and the balance of $1,386,264.29 is chargeable as the shortage for the year 1895-96—the amount by which the revenue earned that year failed to pay the cost of earning that revenue for the

year—and that shortage is the amount of some $780,000 odd that we have spoken of.

Mr. SCOTT. Were the accounts all paid ?

Sir WILLIAM MULOCK. They have all been paid by a vote of parliament.

Mr. SCOTT. How many years ago ?

Sir WILLIAM MULOCK. The accounts were closed up in 1897.

Mr. SCOTT. Then why do not we bring the discussion down to present-day business ? What would be the sense of this committee discussing Roman history—discussing the doings of Julius Caesar ? Yet, it seems to me, there would be as much sense in that as in discussing matters settled six or eight years ago.

Mr. HENDERSON. Of course, we have not as much sense as the hon. gentleman (Mr. Scott).

Mr. SCOTT. I have endeavoured to exercise as great patience as possible this afternoon and evening. I have a number of matters relating to the post office which I would like to bring to the attention of the Postmaster General and this committee. I do not know whether they would come up properly under the head of the item now before the committee, but, if I am allowed to bring them up I think the interest of the people will be as well conserved by their discussion as by the discussion of accounts that were closed eight or ten years ago.

Mr. HENDERSON. Let us finish this.

Mr. SCOTT. There are matters in connection with the postal service in which the people to-day are interested. I know that the people of the Northwest where I come from are vitally interested in matters of the postal service, and there are some things that I would like to bring to the attention of the committee and of the Postmaster General.

Mr. LANCASTER. Is everything satisfactory ?

Mr. SCOTT. It will not be worth while to take up time discussing matters that are satisfactory.

Mr. CLANCY. I am sure that the House and the country will profit by the lofty lecture we have just heard. There is only one conclusion to be drawn, and that is that when the hon. gentleman (Mr. Scott) has something to say everybody else must be silent. Of course, there is nobody quite so important as the hon. gentleman, and no business quite so important as that which he wishes to discuss. He says he wants opportunity for discussion. He has had opportunities in this House, and he has used them in a manner not very greatly to his credit. The hon. gentleman discussed matters that were not exactly of the year in which his discussion was carried on, and I am ready to leave him in undisputed possession of any glory he has had from that discussion. I am going to ask the Postmaster General, not to explain what he has endeavoured but failed to explain, but I am going to ask him to turn to the account—Mr. Chairman. The hon. Postmaster General (Sir William Mulock) seems to be occupied, and I would be glad if you would ask him to give me his attention when he gets through. I do not want all his time, but I would like to have a moment or two. I am going to read the whole statement :

LIABILITIES outstanding on June 30, 1895, in excess of appropriations for year ending June 30, 1895.

—	$ cts.	$ cts.
Salary warrants		102,541 00
Land service	208,990 06	
Water service	17,217 07	
Railway service	257,694 90	
Transit through U.S.A.	15,663 00	
Mileage to mail clerks	10,204 86	509,769 89
Accrued but not due on seasonal water services		4,402 10
Total 1894-95 arrears		616,712 99

I am going to ask the hon. gentleman, since these are the sums which make up this $685,-447.03, to whom that was paid, and where we shall find it in the public accounts. The hon. gentleman cannot turn to the accounts because he has stated—with perfect accuracy—that this sum does not appear in his expenditure for the following year. I would like to be told on what page of the public accounts it can be, showing the entries of payments made. Will he be good enough to enlighten us ?

Sir WILLIAM MULOCK. This amount is owing simply because the appropriations for the fiscal year beginning 1st of July, 1895, have been drawn upon to pay these arrears. If these arrears had not been paid, then this amount would have been paid out to parties to whom accounts were owing. But these arrears were paid out of the appropriation, and that left this amount to be made up. Parliament recouped that appropriation in 1896-7 by that $685,000 and these items were paid during the fiscal year 1896-7, and all appeared under the proper accounts in the Auditor General's Report.

Mr. CLANCY. The hon. gentleman stated that they did not appear there at all.

Sir WILLIAM MULOCK. I never referred to them at all. I never referred to the transaction before this minute.

Mr. CLANCY. This side of the House are labouring under a strange delusion then.

Every hon. gentleman heard the Postmaster General make that statement.

Sir WILLIAM MULOCK. It is not of the slightest importance ; they were paid.

Mr. CLANCY. Then if they were paid, there was no sum to pay. That puts an end to that ; there was absolutely no sum to pay. If there was the overlapping that the hon. member for Halton says, carried forward from year to year——

Sir WILLIAM MULOCK. Robbing Peter to pay Paul.

Mr. CLANCY. And an appropriation had to be taken to cover the services of the year. That was paid out of the year following, for which there was not a sufficient appropriation. I can understand that, and the Postmaster General has made the case presented by the hon. member for Halton (Mr. Henderson) quite clear by his statement. I congratulate the Postmaster General on having, after a good deal of exertion, finally made the statement which bears out the contention of the hon. member for Halton (Mr. Henderson).

Mr. HENDERSON. I am also glad the Postmaster General has made the admission which he has just made. I understood him earlier in the evening to say that the $616,614 voted to pay accounts outstanding at the beginning of the year 1895 formed no part of the $781,000 as shown in the Postmaster General's report. I am glad now that he is veering round and giving us, at any rate by inference, the conclusion that our contention is right.

Sir WILLIAM MULOCK. You are absolutely wrong. There is not the slightest foundation for any such conclusion.

Mr. HENDERSON. The Postmaster General says the $616,712 was outstanding in unpaid accounts at the beginning of the year 1895. I ask him to tell me, without equivocation, where the balance of that money came from ? Was it not paid ? There is not an hon. gentleman in this House but believes it was paid, every dollar of it, and no man can tell me the source from which it was paid, except the one source I have mentioned ; that it was paid out of the money voted for the year 1895-6. That is the only source from which it could have been paid, and I say it was paid. It was not outstanding when the hon. gentleman came into power, and there was no other money available for the payment of that sum but the money voted for the expenditure of the Post Office Department for the year 1895-6. That is a settled question. I find—and I am reading from the Year-book. because it is collated in better form—that the expenditure for 1895-6 in the Post Office Department was $4,705,282. Now, assuming that the $616,712 was paid out of that—and I need not assume it, because I have demonstrated that it could not have been paid from any other source and that it was a part of that sum of $4,705,000, and assuming for a moment that there had been no overlapping, no sum in arrears at the beginning of the year, the expenditure of the department for the year would have been $4,089,677 instead of $4,705,282. The gross revenue for the year was $4,005,891, or an excess of expenditure over revenue of $82,679 instead of $781,000. I think our position is made so clear that he who runs may read, and I cannot for the life of me see how the Postmaster General will hold out and contend that these sums overlapping from year to year did not form a part of the difference between the revenue and expenditure as shown from year to year, and I hope that henceforth we will hear no more about this enormous deficit in the Post Office Department previous to the time the hon. gentlemen came into power. We have made the matter so clear that it must be recognized by any unprejudiced mind. The Postmaster General has discussed this matter and asserted his side of it so often from year to year that he has come to believe it. There is a great danger in taking other people's figures, and I think if the Postmaster General had investigated the matter himself, instead of calling in those not so familiar with the department, he would have come to a different conclusion, and I believe a different statement would have been made to-day. My mind is as clear as the light of day that this overlapping from year to year, formed a part of the amount set down in the accounts of the Post Office Department, and the expenditure has always been overstated by reason of the amount thus carried from year to year for the past twenty years. and which is referred to by the Minister of Trade and Commerce in 1897. The only way to get a true statement of the difference between the revenue and the expenditure is to deduct the amount that is carried forward in that overlapping way from year to year from what is shown by the accounts of the Post Office Department, which will give the actual difference between the revenue and expenditure for each year.

Mr. BELL. I shall accept these figures as accurate. They show a deficit of $461,000 in 1900, but a surplus of some $292,000 for the past year. Is the hon. Postmaster General in a position to tell the House what portion of his increased revenue is due to the increased number of letters at the reduced rate, and what amount of his increased revenue is due to the increased rates upon parcels, documents, circulars, newspapers and other classes of postal matter upon which the rates have been increased ?

Sir WILLIAM MULOCK. I am told that about ninety per cent of the revenue is derived from the letter rate. It would be impossible to have statistics showing how

much is on postage and how much on parcels.

Mr. BELL. I see at page XIII of the report the number of letters is given, the number of parcels and the number of post cards and I thought possibly the hon. Postmaster General might be able to give us that information. Could he tell how much of his revenue is made up by the increase he has made in certain classes of mail matter ?

Sir WILLIAM MULOCK. I could not say. I think the increases are on circulars and printed matter and perhaps one or two other items. The rate on merchandise is the same as it always was. The rate is one cent per ounce.

Mr. BELL. Is there not a minimum rate of two cents ?

Sir WILLIAM MULOCK. No.

Mr. J. D. REID. In the year 1896, there was a deficit of $700,000 and at the present time there is a surplus. The hon. Postmaster General believes that that is due to his own management. I would like to know by what means he figures out the increase in the revenue resulting in a surplus instead of a deficit ?

Sir WILLIAM MULOCK. I am afraid that I should open up a very controversial question if I were to proceed to answer my hon. friend. My hon. friend will see that the increase in the business of the department increases the revenue as well as the expenditure. It is an expanding service. In a young country like Canada the business must continue to increase every year and unless the revenue increases faster then the expenditure we will be getting more and more in arrears. But if the revenue increases more rapidly than the expenditure, we have the difference between profit and loss on the transactions of the year. We have the machinery to maintain whether the volume of business is large or small. The machinery is not worked up to its full capacity to-day. The department could do a great deal more work and the more we can do with the same plant and the same number of hands the greater will be the profit of the enterprise.

Mr. J. D. REID. Is not the real fact of the increase in the revenue due to the increased population that is coming into the country ?

Sir WILLIAM MULOCK. I had that in my mind but I did not wish to open up a controversial question. I think the increased prosperity of the country has something to do with it; in fact it has everything to do with it and I might go on and claim that the administration of the government has something to do with the increased prosperity of the country, but I do not wish to introduce any controversial subject at such a time as this. I might argue that the reduction in the rate of postage has encouraged people to use the post office more. That may or may not be the case. But my hon. friend will see that the increased growth of the country, the increased volume of trade and the increased population, all have a material bearing upon the revenues of the Post Office Department.

Mr. J. D. REID. The hon. Postmaster General has been trying to give us the impression that under his management the revenue of the department has been brought to such a state that it produces a surplus over the expenditure.

Sir WILLIAM MULOCK. I never made any such claim as that. I will leave it to anybody to judge for himself as to what has caused these results.

Mr. J. D. REID. Within the last seven or eight years there is no question about it that there has been an increase in the population of the country, and if in 1896 the revenue amounted to $4,000,000 and if we have now a million people more is it not reasonable to expect that we will have an additional million of revenue ?

Sir WILLIAM MULOCK. Yes, a substantial increase.

Mr. J. D. REID. Therefore, what I was trying to find out was if the increase were not really due to the fact that the population of the country has been increasing ? We have not heard anything to-day to show that there has been any material change in the management of the department which has reduced the expenditure and yet I feel that the fact of us having probably a million more people in the country than we had in 1896 is the reason why we have this increased revenue, and the reason why we are able to show a surplus between revenue and expenditure.

Mr. T. I. THOMSON. If my hon. friend (Mr. Reid) had been listening to the discussion that has taken place this afternoon and this evening he would have learned that this much talked of surplus was largely a matter of book-keeping. The Liberal government of Ontario for twenty years maintained that they had a surplus of over $6,000,000 and it was contended by the Conservative party that there was no surplus. After fighting the matter out on the platform and in parliament they appoint a commission and that commission found that they had no surplus. The hon. Postmaster General occupies much the same position. After seven years he finds there is a surplus but I dare say that in fifteen or twenty years when a commission is appointed to investigate this matter we will find that it is

something like the surplus of the Liberal party in Ontario—a myth.

The postal service is not satisfactory to the country; it is not a modern service. I hear more complaints in my constituency about the postal service than about all other departments of the government. Here at Ottawa, thinking that I might get away from these complaints, I went sixty miles up the Gatineau, to Gracefield, thence to Fish Lake, over nine miles of heavy road, and there I found that the settlers in that district had to travel that nine miles to get their mail in the village of Gracefield. There is the same complaint about the postal service in Quebec as there is in Ontario. While in the United States they are establishing a daily rural mail delivery to the farmers, yet there are important agricultural districts in North Grey that only have a mail once a week.' Here is the district of Wolseley, six miles off the route of the mail service from Owen Sound to North Keppel, and it has only a weekly service. Imagine that in a civilized country. The Postmaster General may say that the revenue from this Post Office does not justifiy any better service, but the fact is that these people instead of posting their letters at Wolseley travel six miles to Kemble where there is a daily service. From Lindinwood to Presqu'isle, which is six miles distant, there is only one mail a week.

Sir WILLIAM MULOCK. Did it ever have more ?

Mr. T. I. THOMSON. I think so.

Sir WILLIAM MULOCK. When ?

Mr. T. I. THOMSON. I think it formerly had a daily mail service, because the mail going to North Keppel passed through Presqu'isle, but now they have only one mail a week.

Sir WILLIAM MULOCK. When had it one mail a day ?

Mr. T. I. THOMSON. I see from the Postmaster General's report that there is one service a week from Linwood—

Sir WILLIAM MULOCK. The hon. gentleman stated that Presqu'isle at one time had a daily service. It never had such a service since this government has been in office. Will the hon. gentleman contradict that ?

Mr. T. I. THOMSON. I am not contradicting it. I always understood that it had a daily service. Let me give another example. In the town of Owen Sound, Bay Ward is a large ward extending down to the eastern side of the sound, nearly three-quarters of a mile from the post office. The residents forwarded a petition to the town council, which the council by resolution forwarded to the Postmaster General, asking that a letter-box be placed in the lower part of the ward. A year ago I forwarded that petition to the Post Office Department, and after waiting a year I wrote to know what was the result of their deliberation, and I was informed that they had forwarded it to the inspector but had received no reply. That is two months ago, and I have not received any additional information. This letter-box would be a great convenience to the people of that ward, and after a year's waiting the department is unable to say whether they will install a letter-box for the convenience of the people or not. I am afraid that the Post Office Department is falling into the same political rut as the Militia Department, and that a good deal depends on the politics of the member who represents the constituency. Here is another case which will show how unbusinesslike is the management of the Post Office Department. I drew the attention of the House to this before, but the Postmaster General was not present and I will repeat it now. Owing to a snow blockade, we had no trains over the Canadian Pacific Railway from Orangeville, between the 29th day of February and the 14th of the following month, and Owen Sound was without a mail of any kind for not less than six days. At the end of six days they put on a stage at Orangeville to come through to Owen Sound, but owing to the bad state of the roads it was impossible to get that mail through in less than two days. Let me show you the business tact of the people in the Post Office Department. The Grand Trunk runs to Meaford which is 18 miles east of Owen Sound. The Grand Trunk was running its trains almost every day, and in fact the newspaper publishers sent their papers to Meaford and across by stage, so that we had our newspapers almost every day, but the people of Owen Sound with all their business interests could not get their letters, simply because the department had not sufficient business ability to send the letters by the same route as the publishers sent the newspapers.

Sir WILLIAM MULOCK. These complaints may as well be dealt with one by one. Of course I cannot carry all these details in my head, but I have just asked the controller of the railway mail service why Owen Sound was not served via Meatord during the snow blockade, and he informs me that the mails that went on the Toronto, Grey and Bruce were snow bound, but after the second day, Owen Sound was served via Meaford. Is that correct ?

Mr. T. I. THOMSON. That is not correct. The mails were brought to Owen Sound by stage from Orangeville.

Sir WILLIAM MULOCK. The hon. gentleman stated that a while ago a considerable length of time the department had not adopted the Meaford route to serve Owen Sound, but the controller of the railway

mail service states that the service began from Meaford to Owen Sound after the second day (which, I suppose, would be the third day of the blockade), and that the accounts prove it.

Mr. T. I. THOMSON. I wish to inform the hon. Postmaster General that he is entirely mistaken. I am a resident of the town of Owen Sound and I know what I am talking about. For six days we had no mail whatever. At the end of that time the mail was sent by stage from Orangeville and Shelburne. It was not sent around by Meaford.

Sir WILLIAM MULOCK. The controller says the mail began on the third day, and was continued.

Mr. T. I. THOMSON. I will appeal to the post office authorities of Owen Sound, and will bring this matter up again. I understand that the Post Office Department makes the statement that the mail was sent around by Meaford on the 3rd of March.

Sir WILLIAM MULOCK. He says that after the second day of the blockade the department began to serve Owen Sound by Meaford, and continued to serve it during the snow blockade. Of course, the mails between Toronto and Owen Sound got caught in the snow and may have been delayed.

Mr. T. I. THOMSON. I was in Owen Sound during all that period, and was looking for my letters as a business man. I know that we waited for our mails until the stage came. Our Toronto mails we did not get by Meaford, but by the stage from Shelburne. However, I will go into the matter again. I may say that of all the departments administered by this government the Post Office Department is the most unsatisfactory. The people get as little as the department can give them. It may be that the object is to create a surplus. There are splendid agricultural districts in Ontario which get a mail only one day a week, where the people are obliged to walk six miles to get a daily mail. If that is the way the surplus is brought about, it is not satisfactory to the people of Canada.

Mr. BENNETT. I find in these estimates provision for a chief clerk and assistant secretary at $1,900. Is that a new position ?

Sir WILLIAM MULOCK. That is intended for Mr. Laschinger, my private secretary.

Mr. BENNETT. When was he appointed to the service, and what is his age ?

Sir WILLIAM MULOCK. He was appointed in 1896, when the present government came into office. I do not know his age. It appears in the civil service list.

Mr. BENNETT. I have looked in the report, and it is very strange that his age is not there. However, I am informed that he is about 25 years of age. Is that correct ?

Sir WILLIAM MULOCK. I should think he is over 30.

Mr. BENNETT. However, be that as it may, it appears that this young gentleman, who was placed in the service in 1896, is suddenly jumped to a position at $1,900 a year, and a new office is created for him, that of assistant secretary. On looking at the report, I find that there are some eight or ten first-class clerks, some of whom were appointed as far back as 1864, who are to receive a less salary than this young gentleman who was appointed only seven or eight years ago. Can the minister explain why he has been pitchforked over all these first-class clerks ? I also find over fifty second-class clerks and over one hundred junior second-class clerks, all of whom appear to have been in the service longer than Mr. Laschinger. Can the minister give an explanation why he has been put over the heads of all these others ?

Sir WILLIAM MULOCK. On his merits.

Mr. BENNETT. Then I am to infer that all the other have demerits ?

Sir WILLIAM MULOCK. No, but he has special merit.

Mr. BENNETT. I find that for William Smith B.A., chief clerk and secretary, the appropriation is only $1,950. I believe Mr. Smith has particular claims on the department. He was the author of Caron's cribbed correspondence, was he not ? I may say that these gentlemen are all unknown to me. There is only one in the whole list that I would know if I met him on the street. There is a gentleman named Throop, who came in in 1869, and receives $1,800 ; another named White, who came in in 1871, and only receives $1,750. S. S. Thorne came in in 1867, and receives $1,800 ; John Graham in 1864 , and receives $1,650 ; Charles Pope in 1873, and receives $1,600 ; Edwin Daubney, in 1876, and receives $1,600 ; Walter Rowan, in 1874, and receives $1,650 ; W. D. O'Brien, in 1862, and receives $1,600 ; W. E. Bennett, in 1871, and receives $1,800. I want to assure the minister that this man is no relation of mine. I say this in justice to Mr. Bennett, for fear his services might be dispensed with. George J. Binks came in in 1874, and receives $1,550 ; Frederick H. Smith, in 1882, and receives $1,700 ; B. M. Northrup, in 1883, and receives $1,500 ; William H. Eagleson, in 1870, and receives $1,450 ; F. G. Moon, in 1877, and receives $1,450 ; F. J. Rochester, in 1883, and receives $1,450. I might go on and read the names of the second-class clerks who receive from $1,200 to $1,400. Surely there must have been some gentlemen among all these who could have fulfilled the duties devolving on Mr. Laschinger. I know one of these gen-

tlemen, Mr. Bennett, and I assure the minister that he is no relation of mine. This gentleman has been in the service for a long time; for many years he discharged the duties of the present controller, when he was assistant to the former head of the railway mail service. It seems very unfair that these gentlemen who have been in the service for many years should be compelled to see this young gentleman of tender years, who only came in six or seven years ago, promoted over their heads. There is only one inference. If this gentleman has merits, these gentlemen must have demerits. May I ask the hon. minister whether in his opinion Mr. Bennett would be unfit for this promotion which is given to Mr. Laschinger?

Sir WILLIAM MULOCK. I do not think it would be convenient to canvass in public the merits and demerits of two hundred or three hundred members of the civil service in the Post Office Department. I take the responsibility of saying that Mr. Laschinger is a gentleman of very special merit, and the service is extremely fortunate in having a man of his ability and fidelity, and he is well deserving of the position which I am asking parliament to provide for him.

Mr. BENNETT. I may say in fairness to Mr. Bennett that he never mentioned this matter to me, and I have not seen him to speak to for a couple of years. In fact, he is supposed, like most civil servants, to be too terrified to be seen speaking to a Conservative member. He is the only one of the gentlemen that I know personally, and I am sure there is no man in the postal service today who is his superior as regards fitness in connection with the railway mail service. He has been doing that work I know for thirteen years, during many of which he practically conducted the whole railway mail service of the country.

Mr. T. I. THOMSON. Could the hon. minister give me an answer as regards the letter box in Bay Ward, Owen Sound?

Sir WILLIAM MULOCK. The matter comes to me for the first time to-night, but I will make a note of it and give the information on the supplementary estimates.

Mr. J. D. REID. I would like to ask the hon. minister if he could not arrange with the Canadian Pacific Railway to make connections at Prescott with the down train? There is a train which leaves Prescott at 1.15 and arrives here at three o'clock—a passenger train. Formerly the Canadian Pacific Railway train used to back up at the Grand Trunk Railway station and wait the arrival of the train from the west.

Sir WILLIAM MULOCK. It arrives about 2 o'clock.

Mr. J. D. REID. At present it arrives at 3.30. That would bring the Ottawa train in about 5.30 and would convenience the public very much. Passengers from the east and west on the Grand Trunk Railway would make connections coming to Ottawa.

Sir WILLIAM MULOCK. I do not think there is any great desire on the part of some railways to make connections with others, nor is there at present any law to compel them. It would be fair to say that the railways deliberately plan to make connections, but we can think our own thoughts. I do not think that the state of affairs will ever be satisfactory until there is some method provided by law to compel close connections at points where it is reasonable there should be such connections.

Mr. J. D. REID. I am not making any complaint but am simply throwing out the suggestion.

Sir WILLIAM MULOCK. We will make an application.

Mr. BENNETT. The hon. gentleman has told us that he is not to be held responsible for the details of his department, and I agree with him. That may be one reason why he did not feel called upon to canvass the qualification of all the clerks in the department, but it seems very hard on the many employees that the deputies and the other heads should allow without protest juniors to be promoted over the heads of their seniors. If it is going to be the rule that a man can be brought in from the outside and in a few years be placed over the heads of efficient clerks who have grown gray in the service, we ought to know it. What are the particular requirements that these older employees should have before they can secure promotion and would the minister tell the House what particular merits this Mr. Laschinger had to entitle him to promotion over the heads of the seniors?

Sir WILLIAM MULOCK. He is a stenographer and typewriter, and for the last eight years has been the connecting link between the secretary and the Postmaster General. He is practically the assistant of the secretary at present. The secretary has to do with many parts of the whole service, and Mr. Laschinger has been in touch with him and me and is a most valuable public servant, faithful and industrious to a degree. There is no one who comes in contact with him who is not impressed with his zeal for the public interest. He is an exceptionally able, industrious and zealous officer, and the amount of money asked for him here is not at all beyond his merits.

Mr. BENNETT. Are not all these other gentlemen equally able, zealous and industrious? Surely it is not because he is a stenographer and typewriter that he is entitled to promotion over his seniors? I am sure that shorthand writers can be procured at less salaries than $1,900. It cannot be said that these other gentlemen were not equally zealous in the public service and

have not equallly at heart the interests of the service. If it is the rule that length of service and merit are not to count, but that the minister may bring in an outsider and place him over the heads of all the others, it is well that all civil servants should know it.

Mr. BELL. In the Auditor General's Report Mr. Laschinger is entered as having nine months salary at $1,500 and twelve months as private secretary at $600. That would make his remuneration $2,100 a year. He is down in the estimates as chief clerk and assistant secretary at $1,900 a year. That is a reduction of $200. He was a first-class clerk last year, but he is entered as having received at the rate of $1,500 a year for the last nine months.

Sir WILLIAM MULOCK. The maximum for a first-class clerk is $1,800, and the minimum for a chief clerk is $1,900, but he can go up to $2,400.

Mr. BELL. I understand that. But, according to the Auditor General's Report, Mr. Laschinger received at the rate of $2,100 a year and he is now entered in this year's estimates as receiving $1,900. That seems to be a discrepancy, and I would like the hon. minister to explain.

Sir WILLIAM MULOCK. He will have the privilege of going up to $2,400.

Mr. BELL. But, apparently he is cut down $200.

Mr. J. D. REID. Does he receive $600 in addition ?

Sir WILLIAM MULOCK. Yes—that is temporary.

Mr. J. D. REID. Then he will receive $2,500 ?

Sir WILLIAM MULOCK. He will receive $1,900 as chief clerk.

Mr. J. D. REID. And $600 more ? Then, his salary will be $2,500.

Sir WILLIAM MULOCK. While he is private secretary. But the private secretary is not a permanent position.

Mr. J. D. REID. Then, this is an increase of $400.

Mr. BENNETT. This is a disclosure. I had no idea that the thing was so enormous as this. This young gentleman, who is the particular pet of the minister, is to receive as much as the controller of the railway mail service, Mr. Armstrong, who has been in the public service since 1867, and who, everybody admits, is well qualified for his duties. He receives a higher salary than the chief clerk and superintendent of printing and supplies, who came into the service in 1870. He receives within $100 of as much as the chief clerk and superintendent of the money order branch, Mr. Everett, who entered the service in 1875. There can hardly be in this department any idea of fair-play, or even of honest remuneration for services rendered. Take, for instance, Mr. Armstrong, who was in the Toronto Post Office for a great many years and who was always understood to be a most efficient officer. He was brought down from Toronto and installed as controller of the railway mail service. He entered the service in 1867, so that he has given up the best years of his life to the service. And he has to stand aside and see this young gentleman whisk into office ; only five or six years in the service and now only about twenty-five or twenty-six years of age, and yet he receives the same salary as Mr. Armstrong. It seems quite plain either that these older in the service are not adequately rewarded, or else that this young gentleman is receiving too much. There seems but little inducement to members of the civil service to be earnest in the performance of their duties when they see promotions made in this way, simply at the will of the minister.

Sir WILLIAM MULOCK. As for Mr. Armstrong, I agree with all that has been said about him—he is a man of great merit. When I came into office I found that his merit was recognized to the extent of $1,500 a year. I at once took steps to put him in a more important position, and got an Act of Parliament passed which at once increased his salary from $1,500 to $2,500 a year. I do not think, therefore, that it can be said that I have not treated him well. There is quite high authority for paying men according to their merit and I do not think that even years are the only test of what a man's services are worth. In this case I can only add to what I have already said that Mr. Laschinger is well deserving of what is proposed here. I know of no person in the public service who will give better value for what he will draw than Mr. Laschinger, if he is so fortunate as to enjoy the position which I desire to secure for him.

Mr. J. D. REID. This is another case similar to what I have objected to. I do not know Mr. Laschinger, nor am I aware of the nature of the duties expected of him. But what I say is that if he is appointed a chief clerk, he will find in that position plenty of work to employ all his time. Whether he is worth $1,900 or $2,500, he will find that he can earn all he is worth by performing the duties of one position, and it is unfair to give him the dual office. There is enough to do in the duties of private secretar to keep one man busy——

Sir WILLIAM MULOCK. Does the hon. gentleman (Mr. Reid) think that a private secretary could be engaged for $600 ?

Mr. J. D. REID. I do not say that that could be done. I do not believe that you can find a man capable of filling the position of private secretary who would be willing to work for $600 a year. But what I claim is that the duties of that position are enough for one man. To give the dual position to one man has the effect of concealing from the public what is actually paid for the services rendered. I believe that the country ought to pay a private secretary what he is worth, but, as his time must be fully taken up with the duties of private secretary, he should be paid for that position.

Sir WILLIAM MULOCK. That has never been the practice.

Mr. J. D. REID. I do not know anything about that ; but he should be appointed to one position and should be paid one salary, and that salary should be adequate to the duties he performs.

Mr. BENNETT. How many private secretaries are there in the hon. gentleman's department ?

Sir WILLIAM MULOCK. One.

Mr. BENNETT. Besides Mr. Laschinger.

Sir WILLIAM MULOCK. There is no other.

Mr. BENNETT. Mr. Laschinger of course, will take advantage of the $600 and will continue to act as private secretary ?

Sir WILLIAM MULOCK. Yes.

Mr. BELL. What did Mr. Laschinger receive when he came into the service in 1896 ?

Sir WILLIAM MULOCK. $1,200.

Mr. BELL. In what year was he increased ?

Sir WILLIAM MULOCK. Year by year.

Mr. BELL. He must have received more than the ordinary increase.

Sir WILLIAM MULOCK. I do not think he ever received more than the increase applicable to his class. He has been promoted.

Mr. BELL. Do I understand that he received $1,200 and also $600 as private secretary ?

Sir WILLIAM MULOCK. No, he received $600 and also $600 as private secretary—a total of $1,200. His duties are very onerous. He is a most hard-working man. There is no one in the service, I think, who will take any exception to this vote. Mr. Laschinger is persona grata to the whole department and in touch with every officer in it. He is familiar with the working of the department and would be an invaluable man to whoever may fill the position of Postmaster General. It has never been the practice to have a man fill the position of private secretary only. The private secretary has always had a permanent position besides. The position of private secretary is one personal to the minister, and if there is a change of minister or a change from one department to the other, the private secretary may lose his position as private secretary. The private secretary to the minister must discharge important departmental duties, and these must increase as his connection with the department continues, and he remains in the department even after his minister leaves the department, goes to another department or leaves the public service. When that takes place that officer ceases to be a private secretary and becomes one of the regular staff.

Post office, outside service, salaries, and allowances, $1,548,870.50.

Mr. WILSON. I wish to call the attention of the Postmaster General to the dismissal of the postmaster in the village of Wilton, in my riding. I moved for papers, March 17, and they were brought down April 29. I complained then that the return was not complete and the Postmaster General, after inquiry, reported that all the letters had been brought down that were not marked 'confidential' but said that if he had authority to remove the word 'confidential' from the letters which were so marked he would be perfectly willing to bring them down. On May 26 I dropped a note to the Postmaster General inclosing in it a letter from Mr. Thomas Prest, in which he said he was willing to have the word 'confidential' struck off any correspondence he had sent. I asked the Postmaster General to be good enough to send me a copy of the correspondence or of the letter he had from Mr. Prest, and to this day I have received no answer to that note. The letter sent by Mr. Prest authorizes the removal of the word 'private' from his previous letter. The letter is as follows :

May 15, 1904.

To the Hon. the Postmaster General,
Ottawa.

Dear sir,—I am willing and by this I consent to the word 'private' being removed from any correspondence I have had with you in reference to the Wilton post office.

Yours truly,

THOMAS PREST.

I inclosed that original to the Postmaster General, but as I have told you he did not see fit, I do not know for what reason, even to answer it. I called his attention to it in the House one day and also to the fact that Mr. Walker, I think Mr. Hiram Walker, had written three letters that were not marked 'private,' and that Mr. Walker was perfectly satisfied they should be brought down. At least that is the information I have.

Mr. Prest wrote another letter to Mr. Gallagher, which is as follows :

May 17.

To Mr. L. L. Gallagher.

Yours to hand. I am willing to have the word 'private' taken out. I think there never was a meaner piece of business done by any set of men and I do not think it will do Keach any good, but will hurt him, which I am sorry for, him being misled by Clide and others that ought to have known better. I hope Wilson will insist on the matter being brought down and sifted.

Yours always,

THOMAS PREST.

Now, Mr. Chairman, I think it is pretty plain why, this letter has not been brought down. Mr. Thomas Prest is one of the most active Liberals in the township of Earnesttown in the riding of Lennox and Addington. He was it appears, a great friend of Mr. Gallagher, and a good politician. Mr. Gallagher being a popular postmaster, he knew that any interference with him as postmaster would injure very materially the chances of Mr. Keach, my opponent in Lennox and Addington. Therefore, he knew that it was a very foolish thing for them to interfere in this matter. But last year, during the session, I think early in June, the Postmaster General was good enough to let me see the papers ; I took only a very cursory look at them, but I came to the conclusion that there was not very much in them and I did not think that the Postmaster General would find enough in them to dismiss the postmaster at Wilton. I find in the correspondence that is brought down a letter from Mr. Herrington. Those who were here the other night will remember that the Minister of Marine and Fisheries said that this was the gentleman that tried to hold him up on a small job of 14 buoys. I would not accuse him of anything of that kind. The letter is signed by the firm of Herrington, Warner & Graham. Mr. Herrington is the head of the firm, a very active politician. Mr. Warner has been away from the country a good many years, and Mr. Graham is a Conservative, so I take it that although this letter is signed with the name of the firm, it is really a letter from the head of the firm only. It is as follows :

Napanee, May 7, 1903.

Hon. Postmaster General,
Ottawa.

Re Wilton post office.

Hon. Sir,—We have been requested by a large number of the parties of Wilton post office to forward you the inclosed declarations containing grave complaints in respect to the neglect of duty and disrespectful conduct of the postmaster, Mr. Gallagher. We further understand that this is not the first time that complaints have been lodged against him. We are credibly informed that it is the popular belief that it is in the interest of the public that he should be dismissed and a more suitable and acceptable postmaster appointed in his stead.

This is a letter from Messrs. Herrington, Warner and Grange. The trouble is that they do not specify what charges against Mr. Gallagher have been in the past. The question as to what a man's politics were has never cut any ice in my riding heretofore. This post office was established seventy-four or seventy-five years ago. The first postmaster was Sidney Warner who held the office for over fifty years. He had been reeve of the municipality, warden of the united counties of Frontenac, Lennox and Addington, he had been spoken of as the probable Reform candidate and I have no doubt he could have had the nomination had he been willing to take it. Nobody thought that because he was a Liberal, or because he was in municipal politics, or because he was sufficiently prominent to be talked of as a member of parliament he should be dismissed from his office. I think you will find that the particular crime that Mr. Gallagher has been guilty of is that he opposed Mr. Clyde for the reeveship of his own township. He did not succeed although he beat Mr. Clyde in the part of the township in which they both resided. I think any hon. gentleman who has had experience in municipal politics will agree that party politics do not entirely govern in a case of this kind. I have had a good deal of experience in municipal politics and I have had the support of strong Liberals, but at the same time I have not always had the support of some strong Conservatives. Mr. Gallagher's answer is this :

One of the Reform workers told me he read one of Herrington's letters and he said he had told fifty lies to get rid of the gang and he would not do any more for them unless he was paid $50, and afterwards the fellow said Herrington got him $50 for doing the deed.

I may say that when these papers came down and when these affidavits were presented I sent them up to Mr. Gallagher saying that I wanted him to answer the charges made against him. I did not believe they were true then and I do not now. I will now give you a specimen of the kind of affidavits presented. The first one which I will read is from Isaac McEwen :

Dominion of Canada.
County of Lennox and Addington.

To wit:

In the matter of Wilton post office.

I, Isaac McEwen, of the township of Ernesttown, in the county of Lennox and Addington, farmer, do solemnly declare : That

1. I know Levi L. Gallagher, postmaster at Wilton.

2. That during the last Dominion election in the county of Lennox the said Levi L. Gallagher took an active part on behalf of the Conservative candidate, Uriah Wilson, and held committee meetings in his house to advance the interests of the Conservative candidate.

And I make this solemn declaration conscientiously believing it to be true.

Gallagher informs me that McEwen has told him that he never made that declaration, that if he did make it he must have been drunk at the time because he had no recollection of ever having signed any such document as the one I have just read. I may say to the committee that I was in Napanee on the 10th June. When I was talking with Mr. Henry Allen Baker, ex-warden of the county, McEwen came up and said : Mr. Wilson, I understand it has been reported in Ottawa that I have signed a declaration asking for the dismissal of Mr. Gallagher and that I made a statement that he had held committee mettings in the interest of the Conservative party in his house. I know nothing about his having held committee meetings. I never made that declaration and I have nothing to say against Mr. Gallagher. I believe he has made a good postmaster. He also said that Mr. Timmerman had said the same thing. I wrote to the hon. Postmaster General on June 22, 1903, a letter in which I pointed out to him that several of the parties who made the complaints had no dealings with the post office at Wilton, that they got their letters elsewhere. I also pointed out to him that if a charge was made against Mr. Gallagher it was only fair that a copy of the charges should be sent to him and that he should have an opportunity of having an investigation. The answer I got from the Postmaster General was that he had received the letter and would give it fair consideration. I think that had the Postmaster general taken the proper course he would have seen that Mr. Gallagher was given an opportunity of answering the charges made against him, because it is a principle of justice in every British country that a man charged with a crime should not be condemned without a hearing. There were only two charges that in my judgment amounted to anything and when you come to sift them down I do not think they amount to very much. One was that a letter which had been sent on Saturday from Wilton in time to catch the mail for Camden East to Mr. Timmerman asking him to be on hand on Monday to vote for Mr. Clyde for reeve of the township was delayed with the result that it did not reach Timmerman in time. Gallagher said that he did not know whether he made out the bill or not. In any event one of the gentlemen who wanted Mr. Timmerman to come and vote went over and met him on Sunday with the result that he was on hand Monday morning and polled his vote for the candidate of his choice. Here is what Mr. Clyde says about the registered letter : I shall not bother reading his affidavit because what he says in his letter and what he says in his affidavit amount to about the same thing. Then I shall read Mr. Gallagher's explanation. The hon. Postmaster General ought to deal fairly with Mr. Gallagher because he is a good business man, a popular man in his own section, and an active man. He certainly ought to think twice before dismissing him without a trial. Mr. Clyde says :

April 3rd, 1903.

This is to certify that a registered letter bearing the stamp of the Kingston post office, dated March 18th, was detained at Wilton or elsewhere from that date until the evening of the 27th March. My son asked for my mail five or six times between the dates mentioned and this letter was withheld.

This is not the only time that registered mail has been delayed which was addressed to me. I have already reported the above to post office inspector to be investigated.

(Sgd.) THOS. CLYDE.

Now, Mr. Gallagher's answer to that is this :

I may say that Mr. Clyde is mistaken. His son was here the night the letter came and went away before it was registered on book or that we knew that it was for Clyde. It came in a sealed wrapper and there was one for me same night. I can prove positively that his son did not call for letter and that Bush was the first man to call for his mail. We keep the registered matter in a desk and the common mail we put in his box. When I sent the registered letter up it was to oblige him. He told the inspector I was a very obliging postmaster and probably they never would get as good, but he was urged to use his influence against me by his party.

I think the hon. Postmaster General himself will see the reasonableness of Mr. Gallagher's explanation. He knows very well that when the mail comes into the office, the mail matter is first distributed around in the boxes, and, afterwards the registered letters, which they have to be so careful about are entered in their books. He further says :

The only thing Clyde has against me was that I opposed him for reeve and cost him about $75 to $100 to beat me thirty-two votes. My own ward that generally goes Reform, gave me nineteen majority and we are both in same ward. In short he has simply made himself a tool to accommodate about seven families and they nearly all related to each other. There was no object in me holding the letter. Tom Clyde told Miller it was a mistake to change the postmaster, but the party was bound to do it, and he had to act to please them for he wanted their votes next time.

I am sorry to say that this is not the only instance in which political pressure has been brought to bear in my riding. A few years ago a certain number of Liberals put their heads together and stated that if the caretaker of a public building were not removed before a general election took place they would not vote for the Liberal candidate. I fancy that if the Postmaster General had been quite sure that we would not have had a general election last winter, Mr.

Gallagher would not have been removed, because I am told that Mr. Gallagher was informed he would have to give up the office at a certain time, but afterwards the Postmaster General sent a telegram to the inspector in Kingston who wired to Mr. Gallagher to hold the office for a certain time longer. I think the Postmaster General will not deny that. With reference to Mr. Toomey another gentleman who made an affidavit; I know Mr. Toomey very well, and once when I met him I said to him: Why did you interfere in the matter, and he said: I never did; I didn't sign anything against Gallagher. These are the kind of affidavits this gentleman has been dismissed on. If he had an opportunity to defend himself, as he should have had, I do not think they could establish anything against him. For eighteen years he was postmaster of Wilton, and there was never a complaint against him except one made by a school teacher who wanted his salary raised, and Mr. Gallagher being a member of the school board refused to do so. So far as I know this is the only complaint that has ever been made against Mr. Gallagher. If it were left in the hands of the people to-day I believe they would restore Mr. Gallagher to the postmastership. I would like to ask the Postmaster General about these private letters. I am informed that a copy of one of these letters was sent to a Liberal committee in the riding of Lennox and they investigated, and they had the gentleman before them who wrote the letter, and they had a row amongst themselves. If these letters are not too private to be given to party friends, I think they might be laid before this House. I recollect that the Postmaster General once published a lot of private correspondence in a blue-book, and I had the good fortune to have a letter amongst them, but when I write letters I do not care who sees them. I wish to ask the Postmaster General, if he knows anything about the letter, reference to this matter having been sent to the friends—of the Liberal party in Lennox.

Sir WILLIAM MULOCK. Do I know of a private letter of the department having been sent to any one?

Mr. WILSON. Yes.

Sir WILLIAM MULOCK. No, I do not think such a thing occurred.

Mr. WILSON. It is so reported.

Sir WILLIAM MULOCK. You cannot believe all you hear reported.

Mr. WILSON. Nor half of what you see either.

Sir WILLIAM MULOCK. There is not the slightest foundation for such a statement.

Mr. WILSON. I am glad to hear that things had not got to such a pitch that private letters could be sent to party friends and refused to the House of Commons.

Sir WILLIAM MULOCK. Oh, no.

Mr. WILSON. I hold in my hand a petition—signed by 24 Liberals who get their mail matter at the village of Wilton; men who are respectable, reliable and well-to-do, and who have much more to do with the post office than any other set of men in that locality. This is the petition:

Wilton, June 11th.

Hon. Sir William Mulock,
Ottawa.

Dear sir,—We, the undersigned mail receivers of the Wilton post office locality, beg leave by this petition to say that we are satisfied with the present postmaster and also satisfied with the place where it is kept, the place being most convenient to the general public, and we sincerely hope there will be no action taken to please a few who are either jealous or maliciously inclined to injure him. The moving of the post office would, we are inclined to think, injure our political strength.

We pray that you may give it your careful consideration and undoubtedly our sincere request will be granted. We remain, supporters of the present government.

That is signed by twenty-four leading Liberals who reside in that locality and who have principle enough, or shall I say common sense enough, to rise above party feeling, and to say that they would not do an injustice to a good and efficient officer. I have a letter here from Mr. Gallagher which sets out the whole case in pretty strong and plain language, and I shall read it to the House. When the return was brought down I sent it to Mr. Gallagher for the purpose of getting an explanation of the charges made against him and on May 2, 1904, he wrote as follows:

Wilton, Ont., May 2nd, 1904.

Uriah Wilson, Esq., M.P.

My dear sir,—Your letter to hand containing complaints about me as postmaster, and I will answer them in rotation, and attach slip to each one that you may more definitely understand it. All are true; they are a hard gang—not one of the crowd attends church, and there is out of the eight, I may say, I never saw more than three of them inside a church, unless for some special occasion, and of the eight, seven drink whisky, seven use tobacco, one in the poor-house now, four combined not worth $200, altogether that is $50 each, one with suspended sentence of theft hanging over him. It is of no use to say more, they are simply a gang. The Postmaster General got letters from Rev. Dr. D. C. Day, Methodist minister here for four years now in June; from Robert Miller, a man worth $40,000, a justice of the peace and commissioner, and issuer of marriage licenses, and ex-reeve of Ernestown by acclamation; Wellington Babcock, a well-to-do farmer, and ex-reeve, and a member of the township council for, I think, six years; James Lewis, J.P., and a resident for sixty years, and one of the real hard workers for the party; Ross Peters, owner of

200 acres of land, and a resident of the place for thirty-seven years ; Thomas Prest, owner of 150 acres of land, and a man about 55 to 60 years of age, one of Ernestown's hardest workers for their party ; H. Walker, aged 62 years, always a Reformer and always lived here, and worth about $5,000 to $8,000. I will put their names below and their worth—that is the six men that wrote the Postmaster General. They marked their letters private, and I saw the answers, but this was done to keep peace with the gang, and I kept it from the crowd also :

Name.	Worth.
Rev. D. C. Day..	Unknown.
R. Miller..	$40,000 or more.
J. Lewis	15,000 "
Ross Peters..	8,000 "
Tom. Prest..	9,000 "
H. Walker..	8,000 "
Total..	$80,000

The following is a list of the gentlemen who signed these declarations and their positions :

Name.	Worth.
B. Toomey	Nothing.
J. Carns..	"
Tom. Clyde..	$3,000
M. F. Parrott..	1,000
John Carr..	2,000
H. Timmerman..	100
J. McEwen..	Nothing.
G. Simmons..	$1,000
J. Simmons	Poor-house now.

Not one of the gang are churchmen ,unless Toomey may be ; he is a Roman Catholic.

The foregoing may be hard to understand, but I have put the thing as near as I can, and you can only show the gang up, and the government that took their petition into consideration, when thirty good honest people wrote and requested the post office to be not molested. I may say the post office was to be moved on the 21st December, and a telegram was sent to stay proceedings, and the Postmaster General telegraphed inspector, and he telephoned me to hold it ; this was sent to Postmaster General, I think, by the request of Keech. Dr. Leonard, Dr. Vrooman, Herrington, Keech, Haycock, and Shibley, and Farrell, the Reform organizer, were all in it. But the thing was and is rotten. One hundred and fourteen families get mails here and only seven want a change. The Postmaster General got petition and letters from thirty of the Grits and there are only fifty-one altogether and about sixty-three Conservatives.

Now, Mr. Speaker, I think I have made out a pretty strong case against the action of the Postmaster General. If he had taken the pains to inquire into the character and the business capacity of the postmaster and the service he had done during the eighteen years that he held the office, he certainly would have made no change. I have another letter from Mr. Gallagher, dated the 7th of May, 1904, in which he says :

I saw B. Toomey, McEwen and Timmerman and those three claim they never signed nor authorized any one to sign for them, and say if they did they were drunk.

What about letters from Haycock, Shibley, Keech and Dr. Leonard, and probably from Sir Richard and their organizer Farrell ? Hiram Walker says he wants it thoroughly understood that the Postmaster General was asked by him in three letters to not molest the postmaser.

I would like to call the Postmaster General's attention to the fact that Joseph Haycock is a civil servant, and that Dr. Leonard is the postmaster in my town. I do not wish to make any complaint against either of these gentlemen ; but I wish to call the Postmaster General's attention to the fact that the First Minister said that if any civil servant interfered with politics, he would give him all his time to do so if be liked. I think it most unfair, after a man has run for parliament and been defeated, and has been given one of the best positions in the riding, that he should still be the consulting physician of the government in the riding, as Dr. Leonard I believe is. I believe that the Postmaster General has some letter from Dr. Leonard in reference to this matter. I know that the Minister of Marine and Fisheries had one which he produced the other day from Dr. Leonard in reference to setting the buoys in the Napanee river. I would like the hon. Postmaster General to call the attention of the Prime Minister to this matter and see if he cannot stop it.

I do not know the gentleman who has been appointed postmaster, but I believe the government made a serious mistake. He may be as respectable a man as the other; I have nothing to say against him; but I have a good deal to say against a man taking the stand that the Postmaster General does. I understand that he has been urged strongly to take it, but I think he should have backbone enough to stand up for a man who has done good service for eighteen years. I think Mr. Gallagher's word is as good as that of Mr. Clyde with reference to the registered letters ; besides, the circumstancs are all in favour of Mr. Gallagher in that matter. I think the Postmaster General is to blame for not having given an investigation to see who was right. If he were as strict with all postmasters as he has been with Mr. Gallagher, I have no doubt there would be a good many vacancies to-morrow morning. I will listen patiently to hear what the Postmaster General has to say with regard to the dismissal which I have brought to his attention.

Sir WILLIAM MULOCK. A letter dated the 7th of May, 1903, was received by the department on the 8th of May from Messrs. Herrington, Warner and Grange, transmitting to the department a number of affidavits and statutory declarations containing charges against the postmaster at Wilton. In the ordinary course, these complaints, as set forth in these declarations, were

transmitted to the inspector for investigation. On the 15th of May the inspector made a report in these words :

Post Office Inspector's Office,
Kingston, 15th May, 1903.

Sir,—In returning herewith sundry affidavits and correspondence received by you from Messrs. Herrington, Warner and Grange, barristers, of Napanee, making grave complaints regarding the management of the Wilton post office in the county of Addington, I have the honour to report that I visited the locality on the 11th inst., and made full inquiry into the several charges made : 1st, taking part in a political contest ; 2nd, delay and improper delivery of a registered letter ; 3rd, delay in sending forward ordinary correspondence in order to persoanlly gain a municipal advantage.

I have no reason to doubt or question the correctness of the affidavits made by John Carr, John Cairns, Isaac McEwen, Thos. Clyde, Gay Simmons and others, some of whom were personally interviewed, that Mr. Gallagher did take part in the last political contest, perhaps not as openly as heretofore, but an active part when opportunity offered—to what extent I was unable to definitely learn, although Mr. Gallagher admitted the fact stated in Mr. McEwen's affidavit, that Mr. Uriah Wilson and others were at his house the evening after Mr. Wilson's political meeting held at Wilton at the time of the last Dominion election contest, but denies that the meeting was political. Of course an accurate report of the business transacted or matters discussed cannot now be obtained, but I think the conclusion come to by Mr. McEwen is not unreasonable, and that a political meeting was held and matters in connection therewith discussed.

The second point, delay in a delivery of a registered letter. This fact was clearly established by reference to the registered letter book and the admission of the clerk in charge of the office, showing that the letter, although frequently asked for was not delievered for eight days.

Third charge, delay in sending forward correspondence in order to gain a municipal advantage. In January last Col. Clyde was a candidate for the reeveship of Ernestown township in opposition to Mr. Gallagher and of course no effort was spared by the friends of the respective rival candidates to win. Mr. Simmons a strong supporter of Col. Clyde, wrote a letter on January 3rd, posting it before 2.30 p.m. on that day, to Mr. Harry Timmerman, then at Camden East, urging him to come to Wilton and vote for Col. Clyde on Monday. Mr. Timmerman, who was known as a supporter of Col. Clyde, did not intend returning, having paired with another voter ; this was well known at Wilton and it was common gossip in the village that Mr. Simmons' letter was purposely delayed so that Mr. Timmerman would not cast his vote against Mr. Gallagher. I am unable to say that the public came to a correct conclusion, but the fact remains that the letter was posted at 2.30 p.m. on Saturday and that the mail for Camden East did not leave Wilton until 6 p.m., and that the letter for Mr. Timmerman did not go forward on that day, although posted in ample time, and did not reach Camden East until Monday p.m., too late to serve the purpose intended and suggests to my mind at least, that there was more reason than simply oversight for the delay in sending this letter forward. In my opinion the charges made have been in the main substantiated .

I am, sir,
Your most obedient servant,
(Signed) H. MERRICK,
P. O. Inspector.

My hon. friend alludes to private letters, and sent me a letter from Mr. Thomas Prest asking to have a private letter sent by him returned. When my hon. friend moved for their return, I said I would not bring down private letters except with the consent of the writers, and I think I acted unwisely, in offering to act on such consent. When people write private letters to any one engaged in public life we should not allow pressure to be brought upon them to make public what they intended to be private. However, on the receipt from the hon. gentleman of a letter from Mr. Prest, I instructed my secretary to write to those who had sent me private letters, asking whether they were willing to have them made public, and did not get any reply from one of them. I do not consider that I have any authority to make public any private communication.

An hon. MEMBER. A new doctrine.

Sir WILLIAM MULOCK. That is my opinion. Complaints of a serious character had been made against this man.

Mr. WILSON. How many complaints were made before the ones in question ?

Sir WILLIAM MULOCK. I have no knowledge of the history of the office. A responsible firm of lawyers sent in a number of statutory declarations charging this postmaster with certain offences. They charged him with having been a political partisan in the last Dominion election, with having delayed delivering a registered letter, and with having withheld a letter concerning an election in which he was interested. Although to delay the delivery of a registered letter is a serious matter, I would not in this case have condemned the postmaster for that offence, as it might have been due to a mistake. But as regards the letter sent to Mr. Timmerman, here was a case in which the postmaster himself was interested. He was a candidate for the reeveship, and there was a man named Timmerman whom it was desired to get to Wilton.

Mr. WILSON. What evidence had the inspector that that letter had been called for and had not been delivered ?

Sir WILLIAM MULOCK. I only take the finding of the inspector.

Mr. WILSON. But the hon. gentleman refused to bring down the inspector's report

in the return on the ground that it was private. And now he is making it public.

Sir WILLIAM MULOCK. I was not aware it had not been produced in the return.

Mr. WILSON. The hon. gentleman must remember that he crossed the floor and told me it was unusual to allow the reports of inspectors to come down, and I thereupon consented to strike that part of my motion calling for that particular report struck out. Now, however, he has made it public. Was Mr. Gallagher furnished with a copy of the charges made against him, and was he given a chance to defend himself ?

Sir WILLIAM MULOCK. I remember the incident to which my hon. friend refers, but had forgotten about it and really thought that the inspector's report was in the return. I have not seen the return until this moment.

Mr. WILSON. Does the hon. gentleman remember a conversation he and I had when we talked of the meeting held at Mr. Gallagher's house ? I told him then, as I tell him now, that there was no political meeting held at Mr. Gallagher's house on that occasion, nor was I ever at a political meeting in Mr. Gallagher's house, though he is a friend of mine. Mr. Pruyn who was a candidate for the local house, went with me to Wilton to speak on that occasion. There is no hotel at Wilton, and after the meeting, Mr. Gallagher asked me to put up my horse in his stable and to have supper with him. This invitation Mr. Pruyn and I accepted. But I positively deny that there was any political meeting that evening while I was at Mr. Gallagher's house, nor do I think there was one afterwards. And Mr. McEwen denies ever having made this affidavit. If the Postmaster General will afford me an opportunity we will bring Mr. McEwen, Mr. Gallagher, Mr. Henry Allan Baker—who is ex-warden of the county of Lennox and Addington—and myself, and then let him put us in the box and take our evidence. That is what should have been done before taking so serious a step as dismissing a good official. It would be better than dismissing this man upon so flimsy a pretext. The Postmaster General has got it down finer than I thought—that this man was dismissed because one letter which possibly might have related to a vote in a municipal election was delayed.

Sir WILLIAM MULOCK. The hon. gentleman (Mr. Wilson) does not take the correct view of that transaction. I have not stated that that was the only transaction upon which an opinion against this official might be based. According to the report of the inspector he intentionally interfered with a letter passing through the mails. That is a criminal offence.

Mr. WILSON. Then I would ask the hon. gentleman to take proceedings on that ground.

Sir WILLIAM MULOCK. The hon. gentleman (Mr. Wilson) will please allow me to finish. I say this was a grave offence. In this case the postmaster is mixed up with municipal politics. There is nothing necessarily to prevent a postmaster taking part in municipal politics. At the same time, when asked, as I frequently have been by postmasters who desire to run for municipal office, whether there is any objection, I have invariably told them that the department would not lay down any rule, but that they were to consider from their own standpoint whether or not they should identify themselves with matters that might have the effect of bringing them into antagonism with a considerable number of the patrons of the office. I need not elaborate that point. Here is a postmaster who becomes a candidate for a municipal office. It is to his interest that a certain letter should not go forward. And, though it was posted at 2.30 p.m., and the mail did not leave until 6 p.m., the letter did not go forward until it was too late for the person to whom it was addressed to respond by coming to the place.

Mr. LANCASTER. How was the postmaster supposed to know what was in the letter ?

Sir WILLIAM MULOCK. He might not know what it contained, but it was addressed to an opponent of his. The inspector waited upon Mr. Gallagher, and I suppose got from him any explanation he could offer to any of these charges. There does not seem to be any explanation from the postmaster as to why that letter was detained. That in itself was an act of bad faith on the part of the postmaster that could not properly be overlooked. What right had he to detain a letter that might have brought to town a person to vote against himself ? Merely because he happened to be in the position, as postmaster, to control the sending of the letter, what right had he to make use of that position to interrupt the free passage of the mail ? Men have been removed from office for such transactions before, and will again. No man who puts himself in such a dual position may use his position as postmaster for his personal advantage.

Mr. WILSON. I do not think that anybody will say he had a right to stop a letter in its course through the mail. I would be the last man to justify that. But Mr. Gallagher says he had no knowledge of it. The Postmaster General will remember the letter I wrote him on June 2, 1903, in which I told him that it was only fair to Mr. Gallagher that he should have a copy of the

charges laid against him. Everybody will say that that is only fair.

Sir WILLIAM MULOCK. The inspector waited upon him and got his statement.

Mr. WILSON. I do not care to say much about the inspector. I think he is a man fonder of office than of justice. I know him and there are men in the House who know him. There are men who are willing to go a good way to save their necks or satisfy the party in power. I do not say that this applies to one set of men more than to another. But I am fully convinced that if Mr. Gallagher had had the charges sent to him, as he ought to have had, and had had an opportunity to have a full investigation, he would have been able to show that he was perfectly innocent of the charges against him.

Sir WILLIAM MULOCK. The inspector waited upon him.

Mr. WILSON. The Postmaster General will remember that I told him about the meeting in Mr. Gallagher's house—that there had been no meeting—and I do not think the Postmaster General has found me equivocating in these things. I think my word is as good as that of a man who would make an affidavit—if he did make it, and he says he did not—and then withdraw it. But he told another man that if he did make the affidavit he must have been drunk when he made it, and he told me in the presence of another man that he had never made the affidavit or signed anything against Mr. Gallagher.

Mr. BLAIN. Perhaps the Postmaster General will explain what form the investigation took ?

Sir WILLIAM MULOCK. The complaints and declarations were forwarded to the inspector and he made his investigation and submitted his report. As to the exact form of the investigation, I am not informed, but I judge, from my perusal of the report, that he communicated with Mr. Gallagher, waited upon him, heard his version of the story, drew his own conclusions and made his report. He found the charge substantiated that there was a detention of the letter with a motive.

Mr. LENNOX. It seems to me that, without further explanation, we can have a pretty good idea of what form the investigation took. I think it quite evident from the report as read by the Postmaster General that the investigation was pretty much a matter of general rumour—that the inspector was pleased to act to a large extent, if not wholly upon the gossip that was going in the neighbourhood. I think it was a most fortunate thing under the circumstances that the Postmaster General has departed from his usual custom and read to the committee the report of his official. If this is a fair sample of the investigations that have taken place, we can well understand how it happens that many honest postmasters have been dismissed for insufficient cause. What does the inspector say in regard to that alleged meeting ? He says that it was rumoured in the neighbourhood, but he has not taken precautions to have evidence as to whether this meeting that was supposed to have taken place was a political meeting or not. Yet, he thinks he may conclude, as a matter of surmise, that it was a political meeting. I would like to ask the Postmaster General, as a matter of reasonable fair-play, what right there is for the inspector to make a report against a man occupying a responsible position for many years, basing his conclusions upon the fact that there is a rumour in the neigbourhood that there was a political meeting, because, forsooth, it happens that a respectable man engaged in politics stayed there a few hours after a political meeting had taken place somewhere in the neighbourhood ?

It was denied by a gentleman to-night, denied by a gentleman of the House of Commons, and in the face of that this gentleman presumes to conclude that that was a political meeting. That is not all. He says there was a general rumour in the neighbourhood also in reference to this letter not being sent on, that it was common gossip in the neighbourhood that the letter had been delayed. Is that the kind of evidence upon which the Postmaster General of this country proposes to act and dismiss a man who has occupied a responsible position in the neighbourhood and a responsible position in reference to the Crown ? The Postmaster General says that the delay of the letter and the interference with the proper transmission of the mails is a criminal offence. Is that a reason for a less rigid examination or a greater reason for a thorough, efficient, searching and conclusive examination ? To my mind if there is any ground at all for a thorough and searching investigation in a matter of this kind it is the fact that the charge involves a criminal offence. Surely a man shall not be tried in regard to that which is a criminal offence without being called upon to make good his defence if he has any defence to offer. Surely it is not a case where he should be convicted on rumour or on suspicion, and surely it is not a case where with any regard to British justice, he should be convicted without being heard in his own defence. That is what was done in this case.

Sir WILLIAM MULOCK. He seems to have been heard in his defence.

Mr. LENNOX. Has the inspector gone to the trouble of obtaining the evidence of any of the men who were there upon the occasion of the meeting in question, who could have given evidence ? There has been no investi-

gation. The party who made the report has not been brought to confront the person accused and it is a principle of common justice that when a person is accused he shall be confronted by his accusers, and shall be afforded an opportunity of making good his defence in the presence of those who have accused him. I want to say that if this is a fair sample of the way in which men have been dismissed and of the kind of evidence on which they have been dismissed, and of the kind of report on which the Postmaster General has acted in the past, it is a very severe commentary on the administration of the office of Postmaster General. We have not had an opportunity of examining the reports of these inspectors, and the hon. gentleman who is bringing this matter up says that he does not care to say anything in regard to this particular inspector. I am not in that position and I can say that if this is the kind of investigation generally which results in the dismissal of a postmaster, it does not reflect much credit on the administration of the Postmaster General, and if this is the kind of inspector generally employed for the investigation of these difficulties, it reflects credit on neither the inspector nor the department.

Sir WILLIAM MULOCK. I should be very sorry to allow any reflections on the inspector. I have a very slight acquaintance with him indeed. He is a man so far as I know, of eminent standing in the country. I have never heard his honesty impugned. He was in office when I took office, and I do not know how long he had been in office before that, but I think he is a very reliable man and he understands his duties. He understands human nature, and when he is given a question such as this to investigate, he is as competent to investigate it as any one else. He would have no reason for not making an honest report, and when these matters were sent to him for investigation he went down to the neighbourhood, as appeared from his report, he interviewed Mr. Gallagher who was the one man above all men who could give explanation if the circumstances admitted of any explanation of the detention of that letter. He had a motive in detaining that letter.

Mr. CLANCY. If he knew what was in it.

Sir WILLIAM MULOCK. He knew it was addressed to a person who was not a friend of his, and it was detained so as to miss the mails. He knew it was addressed to a man who might come up to vote against him. People know a great deal about each other in the country and about who is going to vote at a municipal election even if he lives a good distance off. The postmaster had an opportunity to explain this charge, but so far as this report is concerned, he does not seem to even have attempted an explanation. The charge is made, he is interviewed by the inspector, and does not seem to have offered one word of explanation about the transaction.

Mr. LANCASTER. I am afraid that if this inspector is no more competent with the other part of his duties than with these investigations he is not a very competent officer. I am afraid people will believe that there has been some understanding other than what appears here to-night as to what was to be done with Gallagher. I imagine that although he was not an active politician, because they do not pretend to dismiss him on that ground, still he was a man who refused to become an active politician on the other side of politics to that which he originally belonged. The question of whether there was an investigation at all or not, is a serious one and might affect all post offices in this country. I doubt if one-half the postmasters in Canada could stand the application of the same rule. I get complaints in St. Catharines from clients from various parts of the province, stating that I should have got letters the day before I received them, but I would not think of coming down here to ask the dismissal of a postmaster, under these circumstances. Delays of this kind occur every day in Ontario and perhaps in the other provinces of the Dominion.

What is the case against this man according to the hon. minister's own statement?—that a letter was posted in his post office addressed to a man whom he knew to be not a friend of his in regard to some municipal election. It is suggested that he held that letter but the hon. Postmaster General cannot furnish any statement from his inspector to show that there was any evidence that that letter was withheld. He does not pretend to say that Gallagher knew that the letter did not go forward. How would Gallagher know unless he was guilty and how would he be able to say at what hour the letter went forward? If he did not admit that he had delayed it, how could the post office inspector be sure that he had delayed it? The letter was not registered. There is not a suggestion of the evidence that caused the inspector to come to the conclusion that the letter was delayed except the unfair, uncharitable suspicion that because the letter was addressed to somebody who might be supposed to vote against Gallagher in the municipal elections, therefore he was villain and scoundrel enough to delay that letter for fear of that paltry vote being cast against him. The post office inspector does not seem to have found out at the other end of the line when the letter reached that post office.

Sir WILLIAM MULOCK. There does not seem to be any question about the fact that the letter did not get there in time.

Mr. LANCASTER. Who has shown that?

Sir WILLIAM MULOCK. It is shown by the addressee, I think.

Mr. LANCASTER. The inspector came to that conclusion.

Sir WILLIAM MULOCK. It is sworn to.

Mr. LANCASTER. The inspector does not say who proved that. The inspector should have brought the man who he pretends proves that face to face with Gallagher and if he had done so he might have found that Gallagher was entirely innocent. He seems to have been treated most unjustly. The person the letter was addressed to would not know when it arrived at his post office. There does not seem to have been any investigation into the matter at all. He was charged with having taken an interest in the political matters of my hon. friend from Lennox (Mr. Wilson) but they seem not to have been able to prove that and the hon. Postmaster General justifies his dismissal upon the delaying of this letter. I would like the hon. Postmaster General to tell the committee what he calls interference in election. I would like him to tell me whether the mere allowing use of his premises by a postmaster for a political committee, he not being present himself, would be held to be an interference in politics on the part of the postmaster and would justify his dismissal.

Sir WILLIAM MULOCK. I do not know that I am called upon to pass opinions upon mere theoretical cases.

Mr. LANCASTER. Suppose the postmaster acts as a scrutineer in a parliamentary election will the hon. Postmaster General tell the committee whether he thinks that is an undue interference or not ?

Sir WILLIAM MULOCK. When any case of the kind comes up it will be dealt with.

Mr. LANCASTER. Is the hon. Postmaster General going to shield himself behind that vague statement ? Will the hon. gentleman say whether acting as a scrutineer would be considered as interference or not ?

Sir WILLIAM MULOCK. That is not the case we have before us at the present moment.

Mr. LANCASTER. I am able to understand that quite well. I know this is not the case that we have before us but we are dealing with the question of taking an active part in politics such as would justify the interference of the Postmaster General. I think it is only fair to the postmasters who at one time in their lives have belonged to one or both sides of politics that they should understand where they are in reference to these matters. On the general principle, applying it to both sides of politics, suppose that a postmaster acted as a scrutineer at a parliamentary election and did nothing else would that be considered as interference or not ? The hon. Postmaster General need not be afraid that I am going at this session to make a charge against any postmaster of having acted as a scrutineer. I know that postmasters in the country act as scrutineers, and it may be that they fear that the axe of the Postmaster General will fall upon their necks. Would the hon. Postmaster General be inclined to treat that as an interference in politics which would justify the dismissal of a postmaster ? I think the Postmaster General ought to tell us whether a postmaster who acts as a scrutineer, doing nothing illegal or dishonest but who assists in securing a proper counting of the votes and in the prevention of personation, acting in the interest of the people as a scrutineer for one side of politics or the other, is guilty of an undue interference with politics which would justify his dismissal.

Sir WILLIAM MULOCK. If an opinion upon that point were at all necessary in order to deal with the present question I would be bound to give that opinion but I do not think it has the slightest bearing upon the subject. Obiter dicta are very unwise utterances. It is never expedient for any one to indulge in them and I think I cannot do better than adhere to that determination.

Mr. LANCASTER. I would suggest another case, and that is where a postmaster attends a court of revision to settle voters' lists. The postmaster is often the best informed man as to the age of people, as to where people were born and as to the qualifications generally of people in his neighbourhood. Would the hon. Postmaster General say that if a postmaster attended a Court of Revision, acting on one side or the other, acting honestly and giving correct information to the court it would be an improper interference in politics ?

Sir WILLIAM MULOCK. After my former answer it is hardly fair to ask that question.

Mr. LENNOX. The Postmaster General says he is not very well acquainted with the inspector, but so far as he knows he is a respectable man. I am not at all acquainted with the inspector but I judge of his fitness for the office by what he has set down in writing, and by what the Postmaster General has inadvertently submitted for the consideration of this committee. On the rules of reasonable legal evidence with which the Postmaster General is so familiar, he will find it difficult to justify his action with regard to this postmaster. He will find it hard to sustain his decision, based upon idle rumour and upon mere tittle-tattle reported by his inspector, to dismiss an official who has been long in office. There was no ground for dismissing this postmaster, and whatever may have occurred in other cases it is abundantly clear that in this case the most flagrant injustice has been done. The inspector says :

I have no reason to doubt or question the correctness of the affidavits made by John Kerr, John Kearns, Isaac McEwan, Thos. Clyde, Gay Simmons and others, some of whom were personally interviewed.

The inspector was not asked to make a return that he had no reason to doubt these statements, but he was asked to investigate by proper evidence whether the statements were substantiated or not. He continues :

That Mr. Gallagher did take part in the last political contest ; perhaps not so openly as heretofore, but an active part when opportunity occurred.

We do not know what active part he took heretofore, or what active part he took in the last contest. If he voted I assume the inspector would find he took an active part. The Postmaster General can take whatever horn of the dilemma he likes ; either the inspector did not perform his duty or the Postmaster General acted upon the most shadowy suspicion which is not evidence at all. Does the Postmaster General claim that he was in any degree influenced by this report in dismissing Mr. Gallagher ? The inspector continues :

To what extent I was unable to definitely learn, although Mr. Gallagher admitted the facts stated in Mr. McEwan's affidavit, that Mr. Uriah Wilson and others were at his house the evening after Mr. Wilson's political meeting was held at Wilton, at the time of the last Dominion election contest, but denies that the meeting was political.

The admission of Mr. Gallagher was that Mr. Wilson and some others were in his House after the meeting was over, but he says there were no political matters discussed at all. Is that the reason the Postmaster General dismissed this man ? That is not evidence ; it is not even enough on which to base a suspicion. The inspector adds :

Of course an accurate report of the business transacted or matters discussed cannot now be obtained.

What the inspector wants his chief to understand is that this was a star chamber meeting, and although there is not a scintilla of evidence to show that there was anything political in the meeting, he regrets to find that an accurate report of what took place cannot be obtained and then he says :

But I think the conclusion come to by Mr. McEwan is not unreasonable, and that a political meeting was held and matters in connection therewith discussed.

Could anything more disgraceful be conceived than that the Postmaster General received that report from his official without protest. In any court of justice the lowest in the land ; in any magistrate's court ; in any division court, would any judge for one moment take such evidence as that from a witness ; would he not tell the inspector : you have no right to think ; your duty is to give facts to which you can depose. Is the duty less upon the Postmaster General ? I venture to say that the universal opinion of all thoughtful men, when this matter comes to be known, will be that a more contemptible manner of administering the affairs of a great department could not possibly be conceived. The Postmaster General not only does not reprove his official, but actually brings his report before this committee and puts it forward as a basis on which to support the dismissal of this man who has been dismissed without any investigation or any opportunity to defend himself. Now, he comes to the second point :

Delay in delivery of a registered letter. This fact was clearly established.

This is the gentleman that the Postmaster General says he will not have criticised ; he will not have any aspersions cast upon him ; he will uphold him. Well, I wish him joy of him. He says the fact was clearly established—how ?

By reference to the registered letter book, and the admission of the clerk in charge of the office, showing that the letter, although frequently asked for, was not delivered for eight days.

The letter book will show when the letter was received and when it was delivered ; but it will be a peculiar kind of letter book if it will show that the letter was frequently asked for. I have not followed this matter with sufficient care to know what the evidence is on that point ; but I did not understand from the hon. member for Lennox that it is all admitted that the letter had been called for. I challenge the Postmaster General to show one tittle of evidence that it was ever called for. I notice that the Postmaster General said that he would not dismiss him on that ; but I propose to show the evidence in regard to that, and it is a gauge by which we can judge the evidence on other matters. The third charge is :

Delay in sending forward correspondence in order to gain a municipal advantage.

The animus of this independent inspector is pretty well shown in that very sentence. He is to investigate the matter, not to paint or colour it. He says further :

In January last, Col. Clyde was a candidate for the reeveship of Ernestown township in opposition to Mr. Gallagher, and of course no effort was spared by the friends of the respective rival candidates to win.

Again he enters into the political arena. What does he know about no effort being spared ? Has he any right to deal with that ? Is it not the most offensive political partisanship on the part of this inspector to put that into his report ? Was the Postmaster General ready to reprimand or dismiss him for that ? This gentleman, on

no evidence at all; but on suspicion, is prepared to find that no effort was spared.

Sir WILLIAM MULOCK. I suppose he could get such information in the community.

Mr. LENNOX. Of course, if he had nothing to do but learn gossip and take it in, and then pen it down for the Postmaster General to gloat over. But if he was to ascertain the facts he would have endeavoured to find those who knew them, and kept clear of those who knew nothing about them.

Mr. Simmons, a strong supporter of Col. Clyde, wrote a letter on January 3rd, posting it before 2.30 p.m. on that day, to Mr. Harry Timmerman, then at Camden East, urging him to come to Wilton and vote for Col. Clyde on Monday. Mr. Timmerman, who was known as a supporter of Col. Clyde, did not intend returning, having paired with another voter; this was well known at Wilton, and it was common gossip in the village that Mr. Simmons' letter was purposely delayed so that Mr. Timmerman would not cast his vote against Mr. Gallagher.

If this gentleman was paired, and if that was well known in Wilton, it would be in order to ask this zealous inspector how Mr. Gallagher was obtaining the political advantage with which he charges him by the delay of that letter. I suppose there is honour there as well as here, and if a man is paired, that is the end of it. With this knowledge in his mind, this official is so zealous that he actually charges him with a design to prevent the return of this man who if returned could serve no useful purpose and could do no harm to Mr. Gallagher if the other part of his statement was true.

I am unable to say that the public came to a correct conclusion——

I do not suppose he was to investigate that.

—but the fact remains that the letter was posted at 2.30 p.m. on Saturday——

He does not show where he got the evidence for that——

—and that the mail for Camden East did not leave Wilton until 6 p.m., and that the letter for Mr. Timmerman did not go forward on that day, although posted in ample time, and did not reach Camden East until Monday p.m., too late to serve the purpose intended.

Although I understood the hon. member for Lennox to say that the postmaster at Camden East did not say when the letter reached there, and this gentleman does not furnish any information that can tell us to the contrary. He goes on to say:

The letter did not reach the candidate until Monday afternoon, too late to serve the purpose intended.

But it could not, in any event have served any purpose because the man to whom it was written was paired. But we have here the fact stated that the idle rumour of the streets, the common gossip of the village, as he expresses it, suggested to his mind that there was some reason more than simple oversight which caused the delay in sending the letter forward, and he concludes:

In my opinion the charges made have been in the main substantiated.

It is suggested to me that the inspector had no right to form opinions or to render finding. All he had to do was to report the facts to the Postmaster General, and it would be for that gentleman to come to a conclusion. If he came to a wrong conclusion, we cannot help it; and no doubt this inspector was convinced that he would best meet the views of the Postmaster General and give evidence of the zeal that was expected of him if he based a finding on the flimsy suggestion which idle gossip brought to his mind. Under the circumstances, I submit that this is a case in which, as a matter of justice and principle, the Postmaster General should order an impartial investigation into all the circumstances; and if such an investigation should be held and acted upon, it would no doubt result in this postmaster being reinstated in his position.

Mr. ALCORN. This discussion has thrown a little light on a matter of general public interest, namely, as to what evidence should be required and what procedure should be taken to guide the government in coming to a conclusion with regard to the dismissal of any Conservative postmaster, a great many of whom have been dismissed by that hon. gentleman. This particular postmaster appears to have been signally honoured in the procedure adopted in his case. What is called an investigation appears to have taken place. An official of the government was sent to the neighbourhood, and he did gather some idle gossip from the streets of a country village which was excited over the dismissal of a postmaster and the issue of a local municipal election. This official does not even suggest that he took any evidence by any proceeding with which we are familiar, but simply that he gathered a certain impression from ordinary gossip, and on that impression he came to a conclusion which he thought would meet the views of the Postmaster General. I might here recall to the recollection of the hon. minister the case of one David Simpson, in the county I have the honour to represent, who was summarily dismissed without even having been honoured by an investigation of any description whatever. The office was sought by a large number of supporters of this government who failed during a number of months to agree among themselves as to which one of them should receive it. That was in fact the only question that was dis-

cussed. A great many meetings were held in the village of Wellington. where this particular postmaster held office to decide who should take his place. There was no effort made to obtain charges against him. none were ever made, except two to which I shall refer in a moment and no investigation was ever granted. But an hon. member, who represents a constituency some two hundred miles away, and who happened to be in the neighbourhood wrote to the Postmaster General a letter which contained two allegations of fact. One was that this postmaster had allowed certain cartoons, then being circulated in the last Dominion election, to be posted up in his office. But according to the best evidence we can obtain, he never allowed any such documents to be posted up in his office at all. The other charge was that the building in which he held the office, which he had caused to be erected himself for the convenience of those receiving mails, was too small to accommodate the public. Another allegation was that this same office, which was too small to accommodate the people who were coming for their mails, and who, I suppose, were thronging the office some ten or twelve feet deep, was ordinarily used by the postmaster as a public meeting room for the Conservative party. If one statement be contrasted with the other, we cannot fail but be struck with the absurdity of the situation. Yet without investigation that postmaster was summarily dismissed.

Mr. PUTTEE. Inasmuch as the Postmaster General has given notice of the introduction of two Bills to amend the Civil Service Act and the Post Office Act, will there be anything in these respecting the officers whose salaries are included in the items we are now discussing ?

Sir WILLIAM MULOCK. I hardly think I could anticipate the contents of a Bill at this stage. It will be introduced in a few days, and it would be irregular to explain it before it is brought down.

Mr. BELL. Is it understood that, while this item passes, all these items will be open for consideration ?

Sir WILLIAM MULOCK. Anything that pertains to the service may be discussed on the subsequent items.

Some resolutions reported.

FIRST READING.

Bill (No. 146) respecting the Northern Bank.—Mr. Scott.

ADJOURNMENT—BUSINESS OF THE HOUSE.

Mr. FIELDING moved the adjournment of the House.

Mr. BELL. What will be the business for to-morrow ?

Mr. FIELDING. The Railway Bill in charge of the Minister of Justice will probably be taken first, and, after that, supply, with the Postmaster General in charge.

Sir WILLIAM MULOCK. There is an item to be taken up, if we reach it, which is part of the postal service. It is for the establishment of a pneumatic tube system. Technically it belongs to the Public Works Department, but it is a matter that I have been asked to explain to the House.

Mr. BELL. That is, if we get to supply ?

Sir WILLIAM MULOCK. Yes.

Motion agreed to, and House adjourned at 1.05 a.m., Tuesday.

HOUSE OF COMMONS.

TUESDAY, June 28, 1904.

The SPEAKER took the Chair at Three o'clock.

RAILWAY ACT, 1903—AMENDMENT.

Bill (No. 132) to amend the Railway Act, 1903 (Mr. Fitzpatrick), was read the second time, and House went into committee thereon.

On section 1,

1. In order to the ascertainment of the true net earnings of the eastern division of the Grand Trunk Pacific Railway for the purposes of the scheduled agreements referred to in the Act of the present session intituled 'An Act to amend the National Transcontinental Railway Act,' the Board of Railway Commissioners of Canada shall, upon the request of the Minister of Railways and Canals, inquire into, hear and determine any question as to the apportionment of any through rate or rates between the Grand Trunk Pacific Railway Company and any other transportation company, whether such company is or is not a railway company, or, if a railway company, whether it is or is not as such subject to the legislative jurisdiction of the parliament of Canada, for the purpose of determining whether such apportionment is just and reasonable, having due regard to the interests of the government of Canada as owner of the said eastern division and of the Intercolonial Railway, and to the provisions of the National Transcontinental Railway Act, and of the said Act of the present session, and of the said scheduled agreements,—which Acts and agreements are hereby declared to be part of the special Act of or respecting the Grand Trunk Pacific Railway Company within the meaning of paragraph (w.) of section 2 of the Railway Act, 1903 ; and in any such case the fact that the Grand Trunk Pacific Railway Company has agreed to such apportionment shall be material evidence only and not conclusive ; and such net earnings shall then be ascertained upon the basis of the receipt by the Grand Trunk Pacific Railway Company of such share of such through rate or rates as,

in the opinion of the said board, that company should have received under a just and reasonable apportionment.

Hon. CHAS. FITZPATRICK (Minister of Justice). This clause was introduced for the purpose of giving effect to an undertaking that was entered into by the government when the National Transcontinental Railway Act was under consideration. It was suggested that it would be possible for the Grand Trunk Railway and the Grand Trunk Pacific to enter into an arrangement by which the Grand Trunk Railway might divert all the traffic of the Grand Trunk Pacific down by way of North Bay, and that it would be impossible for the Railway Commissioners to exercise any control over it. It was argued at the time that under the different sections of the Railway Act (263, 266, 267 and 309) the Railway Commissioners would have the power to control such an arrangement. It was thought that these sections did not go quite far enough and were not quite clear enough, and in that view this amendment is introduced for the purpose of carrying out the undertaking that the Railway Commissioners would be given absolute power and control to investigate any traffic arrangement that might be made between the two companies.

Mr. BARKER. I call the attention of the Minister of Justice to the limit he has placed upon the first section. It says it is only for the purpose of ascertaining the net earnings of the eastern division.

Mr. FITZPATRICK. The apportionment.

Mr. BARKER. Yes, so far as it affects the net earnings of the eastern division. The government of Canada as guarantor of the bonds of the western division are equally interested, because if an undue proportion of the through rate is applied upon the Grand Trunk Railway proper, to the depletion of the earnings of the Grand Trunk Pacific, it may result that there will be default in the payment of the interest upon the bonds of the Grand Trunk Pacific. It seems to me, therefore, that at the very inception of the clause there has been an oversight, and that the country is equally interested in the proper apportionment of the through rates, whether it affects the rental of the eastern division or the earnings that will be available to pay the bonds on the western division.

Mr. FITZPATRICK. The question raised during the discussion was with respect to the apportionment of rates between the Grand Trunk Pacific and the Grand Trunk Railway, in so far as this apportionment of rates may result in a diversion of the traffic. My intention is to do what is necessary to give the Railway Commission absolute control over the through-traffic arrangements made between these two companies, and I am quite prepared to accept any amendment that will tend in that direction. If my hon. friend would suggest any amendment that he would think effective I would be glad to consider it between this and next Tuesday, when the Bill will be discussed again under an arrangement with my hon. friend from East York (Mr. Maclean).

Mr. BARKER. The country are just as much interested in the proper apportionment of the rates so long as they remain guarantors of the bonds, as they are in regard to the rent of the eastern division. I will be very glad to do what the hon. gentleman says.

Mr. FITZPATRICK. I would move that to that section be added the following amendment :

Provided, however, that either party shall have the right without leave, to appeal to the Supreme Court of Canada from any order or decision of the Board of Railway Commissioners under this section.

It may be prudent to reserve to the government the right to appeal to the Supreme Court, for it is a matter of so great importance that we should have it settled there. We can leave the clause in abeyance.

On section 2,—majority of directors of subsidized company to be British subjects.

Mr. CASGRAIN. I desire to call the attention of the Minister of Justice to section 10 of the Act incorporating the Grand Trunk Pacific Railway Company, which reads as follows :

The directors may annually appoint from among themselves an executive committee composed of at least three directors, for such purposes and with such duties as the directors by by-law determine ; and the president shall be ex-officio a member of such committee.

It seems to me evident that the amendment which my hon. friend is now proposing to the General Railway Act should have been proposed to the law which ratified the contract, and the subsequent amendments, with respect to the National Transcontinental Railway. Suppose the majority of this executive committee should not be British subjects, it seems to me that the amendment my hon. friend proposes would be nugatory so far as the Grand Trunk Pacific is concerned ; because the board of directors, although a majority of them may be British subjects, may appoint on this executive committee a majority who are not British subjects. They may even appoint the whole committee from gentlemen who are not British subjects. This safeguard is all the more important in regard to the National Transcontinental Railway, because, as was indicated before, the company may divert its traffic from Canadian ports to American ports, and the whole policy of the company may be in the hands of an executive committee of directors. Therefore it seems to me that some provision should be made in the Act, specifying that when an execu-

tive committee of the board of directors is appointed, the majority of the members of that executive committee should also be British subjects.

Mr. FITZPATRICK. This provision is general in its effect and it was intended to make it applicable to all railway companies in Canada. The only company in Canada to which such legislation is now applicable is the Canadian Pacific Railway. There is no reason why it should be applicable to the Grand Trunk Pacific alone. I think it is proper that it should be applicable to all railway companies in Canada which receive government aid. It seems to me that the executive committee must of necessity be subject to the control of the board of directors. I do not know whether there is anything in the Act which takes them out of the jurisdiction of the board of directors: but unless there is something exceptional, an executive committee would of necessity be under the control of the directors and could do nothing without the sanction of the board.

Mr. BARKER. The executive committee might accomplish many things before the board could have an opportunity of revising their proceedings. If there is any object in having a majority of the board British subjects surely there must be a like object in providing that those who actually execute their own resolutions should also be, at least a majority of them, British subjects. I cannot see why there should be any desire to have a majority of the board British subjects if the men on the spot who have actual control and put their plans into effect should not also be British subjects · a board in England or elsewhere could not always reverse their decisions if they desired. I do not see why these men, having such power of action, should not be themselves restricted in the same way as the board of directors are.

Mr. FITZPATRICK. In any event, the question arises whether or not this is a proper amendment to the General Railway Act. The other matter will require to have an amendment to the special Act respecting the Grand Trunk Pacific.

Mr. MACLEAN. Would it not meet the case to make the clause read: 'A majority of the directors or any permanent executive committee of the directors?' I think we ought to have that provision in the Act, because we are trying to keep the control of this road in the hands of British subjects, and an executive committee composed of three members, not British subjects, might be the actual controlling influence on the board.

Mr. BLAIN. Why should not the Minister of Justice go further and provide that all the directors of a railway company which receives aid from the public treasury of Canada should be British subjects? While we may keep the control under British law, a board of twelve might have seven British subjects and five the subjects of some foreign nation. It seems to me that we have already had an indication of that in the case of the Grand Trunk Pacific. The statement has been made that some of the best offices have gone already to United States people; and during the recent investigation, some of these have been compelled to go back and Canadians have taken their places, so that we may say that the thin edge of the wedge has been introduced. While we lie so close to the United States, it might be in the interest of Canada to have some American directors on the board; but I do not think it is in the interest of Canada to have such a large proportion of citizens of some other country.

Mr. FITZPATRICK. I would not be prepared at first sight to agree to the suggestion made by my hon. friend. In Canada the majority of our railroads require foreign financial aid. In the United States and other foreign countries those who invest their money in our enterprises are anxious to have some sort of representation on the board of management, and I think while we ought to keep in our own hands the absolute control of the policy of the company, and its general management, it is equally fair that those who invest their money should have some representation on the board. For that reason, I would not be disposed to go so far as my hon. friend suggests.

Mr. CASGRAIN. There may be a great deal in what my hon. friend says; but I do not think there is much in his remark about the majority of the executive committee being British subjects.

Mr. FITZPATRICK. My difficulty with respect to that suggestion now is that I should not like to adopt it offhand, without ascertaining how far it would affect other corporations, for instance the Canadian Pacific Railway. I see the fairness of the remarks made by the hon. member for Montmorency and my hon. friend from Hamilton, and the desirability of meeting their wishes; but I do not like to agree to it without seeing what would be the effect of the legislation.

Mr. CASGRAIN. I was going to suggest that after the words 'majority of directors' we should add the words 'and of any executive committee of any company.' The directors of this company may be composed of gentlemen residing in the United States and also in England, and of course the executive committee will, to a great extent, control the policy of the company, because by section 10 of the Act incorporating the Grand Trunk Pacific, it is provided that the board of directors may vest the executive committee with such duties as the directors may by by-law determine. Suppose the directors, composed of a majority of British subjects, invested the executive committee

with powers involving to a great extent the policy of the company, then it seems to me that the executive committee would have the right to carry out that policy, I quite understand that this policy will be subject to review by the board of directors, but in a great many instances this board would only meet very seldom and a great many things might happen between the meetings of the board by which the policy of the executive committee would be carried out notwithstanding the wishes of the board of directors.

Mr. FITZPATRICK. We could allow that section to stand also, as I have to add several other sections to the Bill. I beg to move that the following be inserted as clauses 1 and 2 of the Bill :—

1. Notwithstanding anything contained in the Railway Act, 1903, the Governor in Council shall have, and shall be deemed to have had since the date upon which the said last-mentioned Act came into force, power, authority and jurisdiction to sanction, confirm, rescind, change or vary, or to take other action upon any report, order or decision of the Railway Committee of the Privy Council made before the said date under the Railway Act of 1888, or any Act in amendment thereof, in as full and ample a manner as if the said Railway Act, 1903, had not been passed or had not come into force, and as if the said Railway Act of 1888 and the said Acts in amendment thereof had not been repealed ; and any order or decision so sanctioned or confirmed shall have the same validity, force and effect as if the said order or decision had been so sanctioned or confirmed prior to the issue thereof.

My hon. friend from Hamilton (Mr. Barker) will see at once the reason. As the result of the repeal of the Railway Act, the jurisdiction of the Governor in Council, with respect to sanctioning the orders of the old Railway Committee has departed, and in the case of Yonge street, the Governor General in Council is without jurisdiction to give effect to the ruling of the Railway Committee, and the Railway Commission is equally without jurisdiction. The next clause will read :

2. The said Railway Act, 1903, is amended by inserting after section 6 the following section :—

6a. Notwithstanding anything in this Act or in any other Act contained every railway, steam or electric street railway, and tramway wholly situate within one province of Canada, but which in its entirety or in part is declared by the parliament of Canada to be a work for the general advantage of Canada, and every person employed thereon, in respect of such employment, and every person, company, corporation or municipality owning, controlling or operating the same wholly or partly, in respect of such ownership, control or operation, shall notwithstanding such declaration be subject to any Act of the legislature of the province in which the same is situate prohibiting or regulating work, business or labour upon the first day of the week, commonly called Sunday, which is in force at the time of the passing of this Act, and every such Act is hereby, in so far as the same is in other respects within the powers of the legislature, confirmed and ratified, and made as valid and effectual for the purposes of this section as if the same had been duly enacted by the parliament of Canada.

This last amendment is intended to leave railways, electric lines and others, which are situated wholly within a province, but which have been declared by the parliament of Canada to be works for the general advantage of Canada, subject to Sunday legislation within the provinces.

Mr. MACLEAN. If a road touches the international boundary or the boundary between two provinces, would that apply ?

Mr. FITZPATRICK. It applies to works which are of a nature merely local concerns.

Mr. MACLEAN. There would be a good deal of discussion as to what road would come under it, but that would be for the courts to determine.

Mr. FITZPATRICK. I beg also to move:

2. The Governor in Council may at any time and from time to time by proclamation confirm for the purposes of this section any Act of the legislature of any province passed after the passing of this Act for the prohibition or regulation of work, business or labour upon the first day of the week, commonly called Sunday, and from and after the date of any such proclamation the Act thereby confirmed, in so far as the same is in other respects within the powers of the legislature, shall for the purposes of this section be confirmed and ratified and made as valid and effectual as if the same had been enacted by the parliament of Canada ; and notwithstanding anything in this Act or in any other Act contained every railway, steam or electric street railway, and tramway, wholly situate within such province, but declared by the parliament of Canada to be in its entirety or in part a work for the general advantage of Canada, and every person employed thereon, in respect of such employment, and every person, company, corporation or municipality owning, controlling or operating the same wholly or partly, in respect of such ownership, control or operation, shall thereafter notwithstanding such declaration be subject to the Act so confirmed in so far as the same is otherwise ' intra vires ' of the legislature.

Motion agreed to.

Mr. FITZPATRICK. I now move that the Bill be printed in its present shape and that the committee rise and report progress, so that on next Tuesday we may vote certain amendments to it.

Mr. MACLEAN. On that understanding I have no objection to the committee rising and reporting progress.

Progress reported.

PROVINCIAL ACCOUNTS AND THE AUDITOR GENERAL.

Hon. W. S. FIELDING (Minister of Finance). I beg to lay on the table a memo-

randum by the Deputy Minister of Finance on the subject of provincial accounts, and also a copy of the resignation of the Auditor General.

SUPPLY—EMPLOYMENT OF ALIEN ENGINEERS.

Hon. W. S. FIELDING (Minister of Finance) moved that the House go again into Committee of Supply.

Mr. E. F. CLARKE. May I ask the hon. Minister of Labour (Sir William Mulock) if any further correspondence has been brought down respecting the employment of alien engineers on the Grand Trunk Pacific Railway? There was an order of the House passed on the 30th of May and a subsequent order on the same subject. It is to the return to the subsequent order that I refer.

Hon. Sir WILLIAM MULOCK (Postmaster General). I have the return here. I beg to lay on the table a return to order of the House of Commons of 15th June, 1904 for copies of additional correspondence since the last order respecting the employment of alien engineers on the Grand Trunk Pacific Railway.

Mr. MACLEAN. I would like to ask the Minister of Labour whether it is likely that we shall have the report of Judge Winchester before the House closes, and also whether any arrangement has been made to print the evidence and lay it before the House?

Sir WILLIAM MULOCK. I am in hopes that we shall get the report. Judge Winchester is to come to Ottawa to-morrow on his way to Montreal, and he will stop over to report progress. He has been very actively engaged in the inquiry ever since his appointment; I am confident he has not lost a moment. The evidence is being taken down in shorthand with the view to laying it before the House. I do not know how far Judge Winchester has gone, but he has made excellent progress, and I think his work has already borne fruit.

Mr. MACLEAN. I think that judge Winchester has made admirable progress and it is for that very reason that I would like to have the evidence in the hands of the House, if possible.

Motion agreed to, and House went into Committee of Supply.

Post Office—outside service—mail service, $2,561,700.

Mr. LANCASTER. While we are on this item, I would like to say a word or two on the general question of the service at the post offices in the country, and particularly at the post office of the incorporated village of Grimsby in the county of Lincoln. The Postmaster General may remember that complaints were made to him early in the year, and that these complaints are of considerable standing, and last session I spoke in regard to the scant accommodation for the public at that post office. The village of Grimsby is a centre where an efficient mail service is required more, perhaps, than in most parts of the country. It is most important that the residents should be given facilities to get their mail delivered and sent out promptly. Especially during the fruit season, they must get many reports and other matters by mail that especially affect the business they are carrying on of shipping perishable fruits. Complaints were made to the Postmaster General which, I am advised by my constituents, have not resulted in any improvement. I am not suggesting at present that the Postmaster General has not done all he can to get the postmaster at Grimsby to effect an improvement. I would draw the attention of the Postmaster General to a letter written to him by Mr. James Doran. Mr. Doran is a man of great prominence in the locality, and one very highly respected by everybody. And, if it is a testimonial of character in the eyes of the Postmaster General, I may say that Mr. Doran is a very prominent Liberal. He contested the county of Lincoln for the local legislature in 1898. He is one of a family that have been very staunch supporters of the Liberal party in the Dominion and provincial elections. His brother was an unsuccessful candidate in the city of Hamilton for this parliament a few years ago. Mr. Doran would not make these complaints to the Postmaster General, unless he felt that the interest of the village of which he is a prominent citizen required it:

Grimsby, Ont., January 14th, 1904.

Hon. Sir William Mulock,
Postmaster General,
Ottawa, Ont.

Sir,—You are probably aware that when Mr. Wm. Forbes, the present postmaster here, was appointed it was urged as a reason for moving the post office from where it then was to Mr. Forbes' own premises that there would be much more accommodation for the public. We, residents of the village and locality, have waited patiently now more than four years for the accommodation and improvement, but instead of it coming we have no such accommodation as we had before, or are entitled to, or as any other place of the same importance enjoys. Over 2,000 people use this office for their mail, and the fruit growing and other business of the locality is of a kind that suffers very much by want of proper post office arrangements.

What we all complain of is as follows:

1. The whole space for the public in the office is a passage, with the street door at the end, about four and a half feet wide running past the letter boxes and ending at the postmaster's private quarters, and is utterly inadequate for the needs of the people, numbers of whom can be seen every day standing on the street because there is no room inside.

2. We cannot buy postage stamps or post cards, or get any mail handed out, until after

eight in the morning, although a mail goes to the west at half past seven a.m., and in the evening although the mail from the east gets in at six o'clock it is not distributed until after the mail from the west, which is due one-half an hour later, but is generally an hour or more late, and although such lateness is at the time known to the postmaster, and people have to wait notwithstanding the want of accommodation because no matter at what hour the mail is distributed the wicket is finally closed for the night at 7.30 in any event, and only those having lock boxes can get mail until 8 p.m.

There are other complaints, but these are the principal ones.

I think your inspector ought to make a visit here on some Saturday evening about six o'clock and wait for an hour or two, and he would see how things are for himself, unless the postmaster, knowing he was expected made some special arrangements for the occasion.

There is so much complaining about these matters, and has been now for a long time, by the people that I have now been asked to write you about it, and have thought best to do so.

Hoping that a substantial improvement for the people will be brought about without much delay, and thus prevent any other action being necessary, I am,

Yours faithfully,

JAMES DORAN.

Mr. Doran informs me that that letter was acknowledged by the secretary of the department, and a promise was given that the inspector would make a visit and would look into the matter. I do not say that the first letter promised any more than that the matter would be investigated. He informs me that the inspector had been there and that he told Mr. Forbes that he must provide better accommodation for the public, and Mr. Forbes agreed to do so. But Mr. Doran says that nothing has been done.

It is now getting well into the fruit season in that part of the country. For some years the people have suffered for want of sufficient post office accommodation. They have to go down to the village to ship their fruit and other produce upon trains which nearly all start at the same hour, and they feel that they are entitled to get their mail matter in time to be of some use to them for that day's operation. The only accommodation for receiving the mail is a corridor 4½ feet by fifteen or twenty feet, for which the postmaster receives a rental of $120 a year, and very few people can get into that passage-way to receive their mail. They also complain that the post office is not open to the transaction of business, the sale of stamps, the registration of letters, &c., until 8 o'clock in the morning, although the mail for the west, for Toronto, Hamilton, &c., leaves the post office at 7.30. There is no other mail west until 6 in the evening, this late mail connecting with the late trains for Toronto, Montreal, Detroit, &c. The trouble seems to be that the postmaster, Mr. Forbes, thinks he can do as he likes. I called the attention of the Postmaster General to this matter last year, and during the winter Mr. Doran, acting in the public interest, wrote the letter to the Postmaster General, complaining of the inefficient service and insufficient accommodation, they are compelled to loiter about the streets to await their turn to receive their mail and in the cold weather this of course is a hardship. The Postmaster General acted on Mr. Doran's letter and sent his inspector to investigate the complaint. The inspector, I am informed, told Mr. Forbes, the postmaster, that he would have to provide better accommodation, and Mr. Forbes, I believe, promised to increase the accommodation but said that he could not do anything in the way of building until spring and the inspector took his word. However, the summer is well advanced but nothing has been done. Had this postmaster been treated with one-quarter of the discipline that was displayed in the case of Mr. Gallagher, postmaster of Wilton, which we discussed last night on the initiation of my friend from Lennox (Mr. Wilson), he would have been dismissed from his position.

I have culled some figures from the report of the Postmaster General and I find that the revenue from the Grimsby post office if $2,862, the postmaster gets in salary and commissions $876 besides commission on box rents and he gets a rental for the use of the post office of $120. Thus the postmaster at this point receives about $1,100 and there is a revenue of nearly three times that much. On comparing it with some of the county towns, I find that the town of Cayuga has a revenue of $1,631, the town of L'Original has a revenue of $1,042, and the town of Milton has a revenue of $2,648. All of these have less revenue than the village of Grimsby, which, although it is only a village, is a very important place, and a place where the people use a lot of mail matter. As I have said, the postmaster at Grimsby also gets a larger income than is received in any of these county towns.

He gets $876 with box rents and a rent allowance of $120 for which he gives the very scant accommodation that I have endeavoured to describe. The postmaster at Cayuga gets $620 a year and no rent, the postmaster at L'Original, $434 a year with box rents and $40 for rental allowance and the postmaster at Milton $860 a year with box rents and the same rent for premises as the postmaster at Grimsby, $120 a year. All these offices yield the Dominion a smaller revenue than Grimsby does and the postmasters get less salary than the postmaster at Grimsby. I trust that the hon. Postmaster General will be able to give me some assurance and through me the residents of this very important part of the very thriving county of Lincoln, the very heart of fruit growing and agriculture in its highest state of perfection, that we will be better treated by this postmaster and that he will

be caused by some more stringent means to remove the complaints which have been made against him. Mr. Doran who makes these complaints knows what he is speaking about. There are no politics in the matter. The people of Grimsby on both sides of politics unite in stating that this postmaster is altogether too clever for his position. Notwithstanding the complaints made by public men and others he will not listen to them. He does not consider that he is a public servant at all. When the complaint is made to the hon. Postmaster General, the Postmaster General sends his inspector there, the inspector tells the postmaster that the complaint is well founded and requires a remedy and he trusts to the promise of the postmaster that he will provide a remedy, but, notwithstanding that, the complaint of the people is that this postmaster defies them and refuses to do anything in the hope that the agitation will die out or that probably the people will go somewhere else to mail their letters. The post office at Grimsby park is only two and a half miles away and I know that some of the fruit growers have very often gone there during the summer months because of the very satisfactory condition there in dealing with the postmaster as compared with the condition of the post office at Grimsby. The post office at Beamsville, which is the post office that my hon. friend had in his mind in speaking of the dismissal of a young man who was there, is four and a half miles east of Grimsby and the post office at Winona near which my hon. friend from South Wentworth (Mr. Smith) resides and where I have no doubt he gets far better accommodation than we do at Grimsby is only four and a half miles west of Grimsby. The people who patronize this post office feel that they have a right to ask the Postmaster General to see that this postmaster complies with the requirements of the public service and provides the accommodation that he ought to provide without any complaint being made. He should recognize the direction of the post office inspector sent by the Postmaster General to investigate these complaints or he should be obliged to give the accommodation which the people demand.

Sir WILLIAM MULOCK. I have just sent for the file of papers so as to understand something about the facts of this matter. I have just a moment ago received it, and perhaps while I am reading the papers over some other matter may be discussed.

Mr. LANCASTER. Will the Postmaster General answer later on ?

Sir WILLIAM MULOCK. Yes.

Mr. MACLEAN. There is a great deal of inconvenience all over the country on the same lines as those mentioned by my hon. friend from Lincoln (Mr. Lancaster) but there is a solution of the trouble and that is by combining several businesses in one. If the government took over the telephone and telegraph business which would be combined with the post office in all the small towns and villages we would have one central office which would be open day and night no matter whether the community was a large or small one. With a combination of the telephone, telegraph and post office we would have one well paid official and we could afford to pay one man a good salary. The public service would be trebled or quadrupled in its usefulness to the people. The way to improve the post office is by combining it with the telephone and telegraph service, centralizing it and paying the officer in charge a half decent salary. Then, the public will get proper service.

Mr. TAYLOR. If the Postmaster General (Sir William Mulock) is not prepared to answer my hon. friend from Lincoln (Mr. Lancaster), I want to bring to his attention what I consider to be a very serious breach of duty on the part of the hon. gentleman and some of his postmasters. When the hon. Postmaster General was on this side of the House he made very serious complaints against the postmasters for acting as agents for political papers. When he assumed office he cut the heads off a great many postmasters throughout the country, their only offence being that they happened to vote for a Conservative candidate. There was no other complaint, no charge and no trial, but their heads were simply cut off because they voted for Conservative candidates.

Sir WILLIAM MULOCK. I never dismissed anybody for such an act.

Mr. TAYLOR. The hon. Postmaster General dismissed the postmaster at Elgin, Mr. John Dargavel, for nothing more than that.

Sir WILLIAM MULOCK. For voting ?

Mr. TAYLOR. Just simply for voting.

Sir WILLIAM MULOCK. That is incorrect.

Mr. TAYLOR. There was nothing more than that against him.

Sir WILLIAM MULOCK. I met Mr. Dargavel on the platform myself.

Mr. TAYLOR. The hon. gentleman never met Mr. Dargavel on the platform, but he dismissed him simply for recording his vote.

Sir WILLIAM MULOCK. I am sure that is not correct.

Mr. TAYLOR. I have made the statement and the hon. gentleman cannot contradict it.

Sir WILLIAM MULOCK. I most emphatically do.

Mr. TAYLOR. Well then let him bring down the papers. Last winter I was driving through my county and at every post office I found this notice :

The 'TORONTO DAILY STAR.'

One year. One dollar. One year.
Toronto's best daily.

This is the hon. gentleman's personal organ.

Sir WILLIAM MULOCK. No, it is not.

Mr. TAYLOR. Surely the hon. gentleman would not say that this paper exceeds the 'Globe.' The notice goes on :

As good as money can make it.
Subscribe with the postmaster.

No matter whether that postmaster is a Grit or Tory he has to canvass subscriptions for the hon. gentleman's organ.

Sir WILLIAM MULOCK. That is quite untrue.

Mr. TAYLOR. How is it untrue ? Here is a document asking the postmaster to act as the agent of this paper.

Sir WILLIAM MULOCK. Who asks him?

Mr. TAYLOR. The Toronto 'Daily Star,' a paper which is owned by the hon. Postmaster General and is his own organ.

Sir WILLIAM MULOCK. The hon. gentleman need not take my word for it, but I will say that his statement is wholly without foundation. I have no more interest in the 'Star' than the hon. gentleman has. I never had. I took an interest in seeing that it got into the right path, but as to the postmasters acting as agents for papers, that subject has been discussed ad nauseam. I never when in opposition, took exception to the postmasters acting as agents of newspapers. The hon. gentleman cannot show anything to that effect in the debates that I took part in. I stated last year when the subject was under discussion, and I say it now, that the postmasters all through Canada are at liberty to act as agents for newspapers. They can do so according to their own will and inclination without any interference from the government or from me ; they can act as agent for one paper just as well as for another. If this House reaches the conclusion that no postmaster should act as agent for a newspaper, I am prepared to give effect to that decision, but it will cut all around. At present the postmasters are free to act as agents for newspapers provided it does not interfere with the proper discharge of their duties.

Mr. TAYLOR. The hon. gentleman not only allows them to act as agents, but by this document sent out by his order, he asks them to take subscriptions for the Toronto 'Star.'

Sir WILLIAM MULOCK. That statement is absolutely without foundation. I will not allow the hon. gentleman to make such a statement without contradicting it.

Mr. TAYLOR. I am speaking by the book.

Sir WILLIAM MULOCK. It is not true.

Mr. TAYLOR. Every postmaster in Canada knows that the 'Star' is identified with the Postmaster General.

Sir WILLIAM MULOCK. No one knows it ; that statement is untrue.

Mr. TAYLOR. It is his organ.

Sir WILLIAM MULOCK. That is untrue.

Mr. TAYLOR. Every minister is supposed to have an organ and the Postmaster General is not going to be behind the others. He has the 'Star' to boom him. In this document he authorizes the postmasters, whether they are Tories or not, to collect subscriptions for the 'Star,' and he says : You are my postmaster ; you have to take subscriptions for the 'Star.'

Sir WILLIAM MULOCK. Perfect rubbish.

Mr. TAYLOR. I have no doubt that the Postmaster General is keeping a record of every postmaster in the country to know how many copies of the Toronto 'Star' he puts in circulation.

Sir WILLIAM MULOCK. The statements of the hon. gentleman (Mr. Taylor) are absolutely untrue. I never had a communication direct or indirect with any postmaster in Canada as to what paper he should or should not represent, I ask the hon. gentleman to speak the truth.

Mr. TAYLOR. If I move for the correspondence between the Postmaster General and the different postmasters throughout the country with reference to the Toronto 'Star,' the Postmaster General will say that these documents are private and confidential.

Sir WILLIAM MULOCK. No, Sir. Let my hon. friend make his motion and I will see that it is complied with at once. Or, let him move for a committee and it will be at once shown that he is making misstatements.

Mr. TAYLOR. I have a distinct recollection that when this matter was discussed in the House some years ago, the Postmaster General then in opposition condemned postmasters for taking subscriptions for the Toronto 'Daily Mail.'

Sir WILLIAM MULOCK. I hope the hon. gentleman will be more correct in his statements in the future.

Mr. TAYLOR. I think the 'Hansard' will bear me out about that. This document is hanging in every post office throughout the country, and I want to know what authority the Postmaster General gave the 'Star' to send out these circulars as much as to say to the postmasters: You have to act as agent for that Grit organ rag at Toronto called the Toronto 'Star,' which says it is the best Toronto daily. Everybody knows that since the day it started, the Postmaster General is identified with the 'Star,' and it has the reputation of being his own personal organ; not that he owns it, but that he controls it and directs its policy. If the postmasters did not send in the proper number of subscriptions they feel that the Postmaster General would reprimand them. I want the Postmaster General to say if the postmasters throughout Canada have no authority for acting as his agents in canvassing subscriptions for the Toronto 'Star.' I want him to say so publicly.

Sir WILLIAM MULOCK. I have said so again and again, and the hon. gentleman knows it, but he continues repeating the misstatement, regardless of his position as a member of this House. I have denied it several times to-day, and yet the hon. gentleman persists in the misstatement that I have appointed these postmasters as agents. I say here in the most unqualified way, that I never in any manner directly or indirectly authorized or intimated any postmaster in Canada to act as agent to receive subscriptions for any paper, Grit or Tory. I never issued an order upon the subject, either authorizing or preventing their acting as such agents. They act as much agents for one paper just as well as for another. Probably this very postmaster of whom the hon. gentleman speaks is the agent for some other paper. I make that emphatic statement, but nevertheless my hon. friend (Mr. Taylor) will get up again, as though I had not denied it in the presence of every hon. gentleman here, and as soon as I take my seat he will repeat the misstatement. The hon. gentleman must see that he is only aiding the circulation of that newspaper which he is trying to injure, because he is attempting to make the postmasters believe that they are under some kind of duress by me or by the government to aid in the circulation of the Toronto 'Star.' I do not know that the 'Star' requires any such aid to promote its cause. Have I now made myself quite distinct on the subject, and if I have not I shall do so more emphatically still, if that be possible. The hon. gentleman (Mr. Taylor) is supposed to have some regard for his own truthfulness and for his honour as a member of parliament, but if he does not take my word for it, I challange him to-morrow at three o'clock to move for a committee to inquire into the truth of what he says, and he shall have that committee and inquiry promptly, and he can produce all the evidence and all the documents —there happens to be nothing on the subject—but anyway there will be no privilege about a thing being supposed to be private. Whatever document or evidence there may be in existence, and there is none, he shall have it produced before the committee.

Mr. TAYLOR. I am very glad to get this statement from the Postmaster General because the postmasters throughout the country, knowing that the 'Star' was supposed to be the Postmaster General's private organ, felt that if they did not secure subscriptions for that paper they would fall under the displeasure of the Postmaster General. We have now the statement from the Postmaster General that he has not authorized the circulation of this document. I can assure him that in place of this discussion increasing the circulation of the 'Star,' it will have the opposite effect, because the postmasters now know that they can act as they please. There is no Tory in the country who is acting in the position of postmaster, who would want to be a party to circulating any such literature as is published in the Toronto 'Daily Star.' The postmasters throughout the country felt that it was their duty to canvass for the Postmaster General's own organ, but the matter is now settled from this day forward.

Mr. LANCASTER. Will the Postmaster General give the information asked for?

Sir WILLIAM MULOCK. The report is somewhat lengthy, and I have not read it all, but it appears that on the 19th of February the state of the accommodation at that office is reported on by the inspector who says:

> The office is kept in a good substantial frame building and is situated on the north side of South Main street. The width of the lobby, inside measurement, is four feet eight inches, the length being about forty-four feet eleven inches.

Did the hon. gentleman say eleven feet?

Mr. LANCASTER. I said fifteen or twenty feet; he must be taking in part of the private quarters of the postmaster. The postmaster has a private office behind where he does conveyancing and that sort of thing.

Sir WILLIAM MULOCK. Perhaps so; I will read on;

> The inside measurement of the lobby is four feet eight inches in width, the length being about forty-four feet eleven inches. At the rear end of the lobby there is a desk adjoining the wall for the public accommodation so that letters can be addressed or business transacted by those who may require to do so. The compartment where the post office business is trans-

acted is about the same length, forty-four feet eleven inches by about four feet eight inches in width, which is sufficient accommodation for carrying on the general work connected therewith. The postmaster has his office fitted in a very neat and commodious manner, and I have not found any country post office which has any better interior arrangement. I regret however to state that the public lobby is rather too narrow and that when the mails arrive late and a larger crowd is in attendance than usual, it is considerably cramped and there is occasionally a little discomfort I believe caused to the public. From inquiries, however, I find that there are very few who complain of the narrowness of the post office lobby.

He goes on to say :

The public lobby, although small, is well heated and is comfortable in every other respect, except that it is a little too narrow. As far as I could judge, seventy-five people could find standing room in the lobby. The difficulty this winter has been on account of the late arrival of the trains, chiefly the night trains, arriving at Grimsby, one at about 5.45 p.m. and the other about half-an-hour later, which caused the lobby to be crowded by those waiting on the distribution of the mails. In the summer season, when the trains are running regularly, I understand that little or no complaint is made of the smallness of the lobby. The postmaster at Grimsby admits that the lobby is a little too narrow, and he would like to make it larger if he could ; but on account of the other part of the building being used as a store, he could not increase the size of the lobby. He states also that it is only Mr. Doran and a few of his friends who are agitating the complaint against the size of his office. He informed me, however, that next summer he would see what he could do in the way of providing a larger space for the public. He said that as he only receives $120 a year rental, he could not afford to put up a post office building which would cost $2,000 or $3,000. Regarding the second complaint that Mr. Doran makes, that he cannot buy postage stamps or post cards until 8 o'clock in the morning, I may say that the morning mail is despatched at 7.30 a.m., and as there are two stamp vendors in the village, there is no difficulty whatever in getting postage stamps the night before, and it would be unreasonable to ask the postmaster to open his office at 7 o'clock in the morning just for the purpose of selling a few postage stamps. I think it would be unreasonable to compel the postmaster at this season of the year to take immediate action in the matter, and would recommend that he be allowed to continue the office as at present until the summer months, when he will make full inquiries as to what better accommodation he can provide, believing that the agitation which has been gotten up by Mr. Doran, largely emanates from him and a few of those people living in the place who are unfriendly to Mr. Forbes, who is a justice of the peace, a wealthy merchant, and otherwise is one of the more popular men in the community.

This is the report of the inspector. It does not disclose a very serious state of affairs. At the same time, if it is possible, in a reasonable way, to secure better accommodation, I will have the matter looked into with that object in view.

Sir WILLIAM MULOCK.

Mr. LANCASTER. I would like to know if there is any objection to my seeing that report ?

Sir WILLIAM MULOCK. No, I will show it to the hon. gentleman.

Mr. LANCASTER. The inspector seems to have allowed Mr. Forbes to tell him what he should say. I do not think anybody in the village except Mr. Forbes could say that this is a trumped-up matter. The people who have made this complaint are business people in the community, and are of the same political stripe as Mr. Forbes.

Sir WILLIAM MULOCK. I will make another suggestion to my hon. friend. I do not think Mr. Henderson would be deceived by Mr. Forbes or by any one else. He has been in the service twenty-five years. At the same time, if my hon. friend is not willing to accept his report, I am willing to send another officer in Ontario, or any other officer my hon. friend names, to make a further inquiry.

Mr. LANCASTER. It is not for me to name an officer. What I complain of is the manner in which the inspector does his work. He says that he is satisfied that these people are complaining without good cause. Whether that gentleman or any other goes there, what he ought to do is to hold an investigation face to face with Mr. Forbes, and hear these people and find out what is happening. It is quite clear that the inspector has been misled by somebody. I do not say anything against him other than that. The best judge in the world will make mistakes if he has not the actual facts before him. This inspector must have made a mistake in saying that there is no opportunity of providing better accommodation for the public. This postmaster before his appointment kept a grocery store there, and he has rented practically the whole of that store to another grocer, partitioning off a small portion of it for use as a post office. The post office and the grocery store together contain exactly the same number of square feet that the grocery store had before. So he is himself to blame if the walls are not in the right place to give accommodation to the public. The store was formerly 25 or 30 feet wide, and Mr. Forbes took so little of that for the post office that he could rent the store for practically as good a business as he had before. He deliberately made that lobby not more than 4 feet 8 inches wide—I said about 4 feet 6 inches before. He has plenty of accommodation in the interior, but that does not do the public any good. It is for the convenience of Mr. Forbes and those who assist him in the post office work behind the partition and away from the public. If the lobby which the hon. gentleman refers to is 40 feet long, some partition has been taken down since Mr. Doran wrote that letter, because it was not more than 15 or 20 feet

long when I was there about last Christmas. A lobby 4½ feet wide is altogether too nar row. The people are entitled to more accommodation.

Sir WILLIAM MULOCK. The only object of the department is to see that proper accommodation is given. If my hon. friend thinks that the inspector has not made an accurate report, if he thinks that the lobby is only twenty feet long when the inspector says it is forty-four feet long. I am quite willing to have the matter looked into again.

Mr. LANCASTER. I can only assume that, knowing that the inspector was coming, Mr. Forbes took down that partition, and added the space which was formerly used by him as a private office, to the post office, and the inspector saw it in that improved condition.

Sir WILLIAM MULOCK. If a change was made, then the office is so much the better.

Mr. LANCASTER. In that respect, yes.

Sir WILLIAM MULOCK. If the accommodation is not satisfactory, I am prepared to send the inspector there again and have him make another report. The inspector had no object but to discharge his duty, and I cannot understand how he made a mistake. Nevertheless, if my hon. friend would like him to go there again, I will send him and instruct him to make an examination of the premises in the presence of Mr. Doran, or, if he prefers it, I will send another officer.

Mr. LANCASTER. I have not seen the report and would like to look at it for a minute. I am not saying that the gentleman who went there was not a proper man to send. I would not say that of any officer, without knowledge of him, but he probably only had one side of the story. Here is what Mr. Doran writes me last month :

The inspector visited Mr. Forbes and advised that a new office be built. This Mr. Forbes agreed to do in the spring, but up to this date there is no sign of its being done. In a conversation with Mr. Forbes some time ago, he said to me that he would be glad if the matter was not pushed as he intended to do as the inspector had advised. However, as there is no apparent sign of this being done, it would be well to have the matter discussed when the estimates are up.

Sir WILLIAM MULOCK. I will send the report to my hon. friend and he will then tell me if he concurs in my suggestion.

Mr. LANCASTER. Has the hon. gentleman any objection to my sending Mr. Doran what the inspector says in his report ?

Sir WILLIAM MULOCK. There is some purely personal matter in it which need not be sent, but I will let the hon. gentleman send whatever portion of the report he thinks proper.

Mr. LANCASTER. I will only send what has to do with this matter.

Mr. MONK. I would like to call attention to the state of the Montreal post office. There is great need there of a complete reorganization, because the postal service in the city of Montreal and the surrounding suburbs is not satisfactory. The delivery is not what it should be, but I think that probably a great deal of the shortcoming depends upon the existence of a grievance to which I am about to refer. If that grievance were removed and the post office itself placed on a proper footing, the complaints regarding delivery might be removed. What I refer to principally is the insufficiency of the staff of letter carriers and other officials in the Montreal post office, and the unjust treatment to which they are subjected. I have received since the beginning of the session and previously, a very large number of communications—some signed and some unsigned—and the matter has been fully discussed in the public press of Montreal within the past few days. The statements contained in these communications harmonize with one another pretty exactly. I find that the substance of the grievances complained of is absolutely true, and in order to best lay the grievances before the Postmaster General, I will quote from a communication published some time ago in the press of Montreal. It is in French, but I will translate it for the benefit of my hon. friend :

We wish to be brief. We do not blame anybody. We do not accuse anybody. The administration of which we form part is a very extensive one and very much divided, and each head of the department is responsible only for the special function which has been assigned to him. Strict equity, therefore, forbids us from attributing any of the grievances to which we are about to refer to any particular head of department. We want to give a resume of the gravity of the evil which affects the administration of the post office in Montreal. At the same time we think we are able to indicate a proper remedy, but all we desire is to make an expose of our situation which may influence the minister. We are two classes of officials, each of which has a distinct work to perform, namely, the distributors and the letter-carriers. The distributors prepare the work of the carriers. Their occupation consists in separating the mails and giving to each letter-carrier what belongs to his division.

This work, easy in appearance, in reality requires a great deal of attention, a great deal of energy and the exercise of a very active memory. During several hours each day and several times a day. And, in spite of the strict observance of that double condition the poor employee remains still subject to a number of serious errors occasioned by the extreme rapidity which this work requires at the present moment and under the present organization. He may, therefore, find himself subject to many reports and, in consequence, condemned to many fines. This work, requiring intense application is wearing on the nerves, fatiguing to the temperament,

ruinous to the organization, and, after twenty years have been spent in this service, it becomes necessary for the employee to take his retiring allowance. The government itself has realized the difficulty of this work and has prescribed a reasonable measure of the exercise of this difficult function. But, as will be seen, this measure determined upon by the government is, in practice, violated every day. These are the hours of work according to the official bulletin :

From 7 a.m until 11 a.m., 4 hours ; from 1 p.m. to 5 p.m., 4 hours ; total, 8 hours.

Extra work ordered by the Montreal office :

From 11 a.m. to 12 noon, 1 hour ; from 5 p.m. to 6 p.m., 1 hour (very frequently) ; from 7 p.m. to 9 p.m., 2 hours (about three times a week) ; total of extra work ordered by the office average 3 hours a day.

And not one cent of extra remuneration.

I mention this because in the United United States, throughout the civil service as I am informed, every official working extra time receives extra pay. The statement I have just made shows the extra work during the week. I asked the Postmaster General some time ago whether, when extra hours of work exacted from the employees there was any extra pay. The Minister of Public Works (Hon. Mr. Sutherland) at that time acting for the Postmaster General said there were no extra hours, and therefore, there was no extra pay. Now, let us take the Sunday :

On Sunday work ordered by the official bulletin, 4 hours once a month. A total in one month of four hours. Work ordered by the office for Sunday, 8 hours every Sunday. Say 4 Sundays a month, 3 with 8 hours extra and one with 4 hours extra. This makes 28 hours per month extra, or four days of ordinary work per month. And not one cent of extra remuneration.

Some time ago an answer was given in this House to a question put as to whether any Sunday work was exacted, and the answer was that there was nothing but strictly indispensable work called for on Sunday. Now, the memorandum says :

Let us now examine the work demanded of the greater number of letter-carriers, because, ordinarily, there are only five or six distributors employed. The work of letter carrying is hard work. Under ordinary circumstances, the letter carrier easily covers each day eighteen miles ; and it seems to us that this work every day during twenty or thirty years in all kinds of weather, the streets being in every imaginable condition, constitutes in itself remarkable work. Let us add to this the ascending and descending staircases, an exercise that is becoming quite extensive since the existence of flats and office buildings with many stories. Those who attend to these high buildings are obliged to walk up the stairs at least once or twice. If they can use the elevator, beginning their delivery in the top flat, they have not the advantage of waiting for the elevator from flat to flat, and they come down the staircase instead of using the elevator. If you added to this condition of things the fact that the letter-carrier carried from 40 to 100 pounds, the work becomes one of considerable difficulty. The government having in view these conditions, has fixed the day at eight hours. It will be seen by the table given below that the office has extended very considerably the official measure of work.

HOURS FROM THE OFFICIAL BULLETIN.

	Hour.
From 7 to 8 a.m., classing by streets and numbers the first mail	1
From 8 to 9 a.m., first mail	1
From 9 to 10 a.m., classing of the second mail	½
From 9.30 to 10.30 a.m., 2nd mail	1
From 10.30 to 11 a.m., classing of the 3rd mail	½
From 11 a.m. to 12 noon, 3rd mail	1
From 1.30 to 2 p.m., classing of the 4th mail	½
From 2 to 3 p.m., 4th mail	1
From 3 to 3.30 p.m., classing of the 5th mail	½
From 3.30 p.m. to 4.30 p.m., 5th mail	1
Total of days' work	8

EXTRA WORK ORDERED BY THE OFFICE.

From 11 to 11.30 a.m., 3rd mail	½
From 3.30 to 5 p.m., 5th mail	1½

Or, in all, 1½ to 2 hours' extra work.

The same observations are applicable to all the sub-offices in the Montreal district which do the extra work although they have not as many deliveries to perform. For all this extra work ordered by the office, and not contained in the official bulletin or calendar, not one cent of remuneration is paid.

Once more we state that our role is not to criticise the administration of which we form a part, but to expose the critical conditions in which we find ourselves and to give our opinion of the improvements absolutely essential. We wish to add a last remark in regard to the last delivery. This last delivery, which ought to take place at 3.30 p.m., is never ready before 5 o'clock. The mail from New York in the afternoon, which is awaited before that delivery is made, is the cause of unnecessary delay. This mail arrives at the station at 3.20 p.m. and reaches the office at 3.45. We do not understand why it is kept from the public until 5 o'clock, and why we are kept until that hour in order to make delivery thereof.

It is an important mail, contains the financial news and newspapers treating of important transactions. In that case why is the delivery retarded in the city of Montreal until financial men have left their offices ? The greater part of the time we are obliged to bring back this last important mail to the offices, because business men's offices are closed at that hour. Four distributors should be assigned for the newspapers and one distributor for the letters. On the contrary, four distributors should be appointed for the letters. These would be procured, that is to say, the most important part of the mail, at the very latest at 4.15 o'clock, and we could deliver them all before five o'clock without the newspapers, which might be distributed on the following morning. We understand that it is necessary no doubt to expedite the newspapers as well as the letters, but if that be the case why have we not in Montreal a larger number upon the staff of distributors ? As a general rule a greater number of letter carriers would be necessary as well as a greater number of distributors of mails, which are a little late in reaching correspondents because the staff is insufficient, and

in spite of the ten hours' work which we give, sometimes of the twelve hours of daily occupation, every day there is an accumulation of newspapers in the post office, the delivery of which is indefinitely postponed. Thus, 'The Weekly Courier' reaches its destination two days late, the 'Journal of the Independent Foresters' three days late, and the 'Journal of the Catholic Foresters' the 'Journal of the Hibernians' and of that of the 'Workmen' are submitted to a similar delay. Nobody ought to be obliged to work in the post office longer than the hours set forth in the official bulletin. He should be obliged to conform himself to the official bulletin of the post office, but if it is necessary to furnish extra work upon the demand of the Montreal office, it seems to us but strict justice that those who work overtime should receive some additional remuneration proportionate to the time and the importance of the service they render to the post office. The interest of their families exacts it; as soon as they go beyond what the official bulletin exacts from them after due consideration by the higher authorities, they expose themselves to extra fatigue and to being incapacitated from work. It is no doubt difficult to foresee exactly in what degree their capacity for work will be abridged by these extra services. This total abridgement is necessarily proportionate to the physical strength of each one of those employees and to the quantity of extra work which they perform. Nevertheless many of these employees instead of taking their retiring allowance after thirty years of service, will be forced to shorten their terms of service to twenty-five or twenty years, if they continue in this manner giving extra work which is not exacted by the official bulletin, and which is thrust upon them from day to day by the local authorities. Their families will thus be deprived of the regular work which they might have performed during a much longer time, and yet this five or ten years extra work which they have performed without extra remuneration will be a profit to the government and will allow the government to economize by the salary of an additional employee during the full period of time.

To show the extent of this grievance, suppose that two hours of additional occupation are given every day for additional work. In five years what is the extent of the remuneration to which the extra worker is entitled at $2 a day? He would be entitled at the end of five years to some $3,650, which the government has economized and which has been taken out of the regular officers against the rules of the department. What we ask is the usual fruits of labour? What we ask is the opportunity to protect our physical health, which is the only asset which most of us possess? It seems to us that this demand is just and fair and that the government ought to accede to it.

Sir WILLIAM MULOCK. Is there any signature to that letter.

Mr. MONK. It is signed 'a number of the King's servants.'

Sir WILLIAM MULOCK. In what papers was it published.

Mr. MONK. It was published in 'La Presse' and other French papers published at the time in Montreal. The statement of facts contained in that memorandum is corroborated on all sides. A very large amount of extra work is exacted from these employees and they are subjected to that extra work contrary to the regulation of the department and that appears to be the main cause why the service in Montreal is inefficient. The post office is a great deal too small and the delivery of letters is consequently not satisfactory. I have myself tested it in many cases during this session and have found an extraordinary delay in the delivery of letters from Ottawa to Montreal. This I do not attribute to carelessness on the part of the distributors or letter carriers. The staff of both classes is insufficient. My hon. friend is Postmaster General and he entertains the very high ambition of showing a satisfactory statement of post office expenses at the end of the year but he must not forget that he is at the same time Minister of Labour. That quality which he has he seems to lose sight of entirely, when there is a question of remunerating the employees of his own department. As I have stated this state of affairs in the city of Montreal is injurious. The imposition of fines, the working of extra hours, the insufficiency of the staff at headquarters and in the sub-offices, the extra work put upon the letter carriers, are all improper. It seems to me that the city of Montreal contributes a sufficient amount to the revenue of my hon. friend to enable him to maintain there a sufficient staff of employees, for the requirements of that large business centre, and to remunerate these employees in a proper manner. They are as a class honourable and trustworthy. They work very hard, they are courteous, and they do their best to fulfil the duties assigned them, but the staff is insufficient, the bureau requires to be re-organized and if they are called upon to work extra hours, they should receive extra pay. I am not quite sure, but from what I have heard I believe a similar state of affairs, prevails in the large city of Toronto at least to a certain extent, but as regards Montreal I know whereof I speak. These complaints are well founded and I think my hon. friend should remedy these grievances without any delay. This has been going on for two years.

Sir WILLIAM MULOCK. The hon. gentleman has read an anonymous letter from a newspaper containing statements and then proceeds to build an argument upon these statements. Let me say that I happen to know the writer of the letter in question. It was not written by a number of persons. The officer, I understand, who has written that letter is one of those unfortunate men in the service who are ever restless and discontented and constantly fomenting trouble.

Mr. MONK. If my hon. friend knows the name of the author of this communication will he give it to the committee ?

Sir WILLIAM MULOCK. No. I know the name, however, and I am extremely sorry for him. He has such a disordered mind that he is eternally endeavouring to make people think they have grievances.

Mr. MONK. Does my hon. friend deny the statement of fact as to extra work ?

Sir WILLIAM MULOCK. I deny it, of course. The letter is of course full of inaccuracies, and I shall proceed to dispose of it. It happened that last winter there was a good deal of irregularity in the running of the trains owing to the severity of the weather. During that period some of the staff had to remain on duty longer than usual. But, as to the clerks and letter carriers in Montreal I would say that there is no foundation whatever for the statement that they were obliged to work overtime unless it be some who are paid extra for any extra duties they perform.

Mr. MONK. I would like to ask the hon. gentleman if when there is overtime there is extra pay.

Sir WILLIAM MULOCK. If my hon. friend will listen to my whole statement I will answer his question. I am going to read for the hon. gentleman a statement and then he will be able to draw his own conclusions.

Mr. MONK. Does my hon. friend deny me the right to ask him if there is extra pay when there is extra time ?

Sir WILLIAM MULOCK. No, I will read the document and I will give the answer the hon. gentleman wants.

Mr. MONK. I would rather have the answer of my hon. friend.

Sir WILLIAM MULOCK. Well, my hon. friend will have it from me as well, but I would like to read this document first. Let me say that the late government organized the system as I found it on taking office. in the outlying districts of St. Henri, Westmount, Mile End and perhaps at some other points there was a system by which the letter-carriers at night had to collect the letters. That duty, I am told, involved an hour and a half of overtime. That system was inaugurated by the government of my hon. friend opposite. It was not brought to my attention until this year and as soon as it was I discontinued it. I will read a memorandum from one of my officers on this point which is as follows :

In the organization of the postal service in the outskirts of Montreal, namely at St. Henri, Westmount, Mile End and such points, the letter-carriers were called upon to make night and Sunday collections from street letter boxes. The time occupied in this work was from one and a half to two hours, the night collection averaging about one and a half hours. The system was organized many years ago and has been in operation continuously since the commencement and was looked upon as the regular duty of the letter-carriers in those districts. The attention of the department having been called to the matter by the letter-carriers the chief post office superintendent recommended that each letter-carrier should be allowed a full day's pay on Sundays for the one and a half hour's work performed and that in addition that he be allowed one half day off duty in the week in which the collection was made to compensate for the overtime worked each night during the week in the night collection. This went into effect in the month of May and has continued until within a few days when a regular system of collection by courier was organized and the men relieved from extra duty.

Does my hon. friend appreciate the point made here ? This is the answer which I desired to give him. I thought he would prefer to get it in the language of that memorandum rather than in my own language. If any letter-carrier worked on Sunday he was allowed a day's pay for overtime. But now even that has been done away with and the carriers are entirely relieved of the collecting that they had done for many years in consequence of the old system established by the Conservative government. This work is now entirely separated from them and done by contractors. My deputy informs me that even then they only had to perform this duty once in every sixth week as there were six carriers and each man took his turn. In reference to the statement that there is overtime in the city post office and that the men are generally downtrodden I have to read first of all a communication under date of 28th March, 1904, from the chief superintendent of the city post offices, Mr. George Ross, to the Deputy Postmaster General. When this matter was brought to my attention by that anonymous letter in the newspapers I took notice of it to the extent of inquiring as to the fact with the object of removing any grievance should it be found to exist. Mr. Ross accordingly was instructed to look into the matter and he writes as follows :

Immediately upon receipt of your inquiry, touching the question of overtime being worked by the clerks in the Montreal post office, I asked for a report from the postmaster by the office superintendent, Mr. Barcelo, and now I beg to inclose herewith a transcription of a report by the office superintendent.

Then he proceeds :

It will be observed from Mr. Barcelo's report that very little, if any, time has been worked by the clerks in the Montreal post office, and moreover, whatever extra time they have been called upon to perform was owing to the very irregular and erratic train service, in consequence of a tying up of the railroads through their being blocked with snow. It is also observed that the office superintendent purposes making provisions by which the men will be allowed 'off duty' to repay them for the time worked during the winter season, which,

under the circumstances was unavoidable for the reason above stated.

You will also see that the office superintendent intended to ascertain the amount of overtime that any man had put in and to compensate them by allowing them off duty. He goes on to say :

I may say that the Montreal post office is sufficiently manned and if the train service is fully maintained there would be no necessity for any extra work being performed by the clerks. The nature of post office work, however, is such that from time to time the men are called upon to meet emergencies at Montreal, and the same conditions apply throughout the world.

Sincerely yours,
(Sgd.) GEORGE ROSS,
Chief Superintedent.

My hon. friend asserts that the office is undermanned, but Mr. George Ross declares that the Montreal post office is sufficiently manned.

Mr. MONK. He says they work overtime too.

Sir WILLIAM MULOCK. I beg my hon. friend's pardon. He says that the same emergencies have to be met at Montreal as are met throughout the whole world. The carrier system does not run with regularity, trains do not always arrive on time and if a train comes in late it is one of the incidents of the service that the men must remain and perform the service, but even that has its compensations. This is a letter from the superintendent, Mr. Barcelo, to the postmaster at Montreal, dated the 26th of March, 1904 :

Referring to Mr. Geo. Ross's letter re overtime worked by the clerks in this office, I have to state : In the delivery branch overtime was worked by some of the clerks in that branch averaging half an hour daily over eight hours.

That is, referring to the time when the trains were running irregularly because of the severity of the winter.

In the letter despatch branch, ten or fifteen minutes have been required over the eight hours average. In the newspaper despatch branch, the overtime work did not exceed the average of eight hours ; half an hour or one hour having been required from the clerks in that branch occasionally. The exceedingly late arrival of the mail since January was the cause of the overtime in question. Now that the trains are commencing to run on schedule time, it is the intention to repay the men who worked extra.

I may say, speaking of overtime, that this is a term of very recent application in the postal service. When I took office there was no such thing as eight hours fixed. I did not inaugurate the eight hour limit at once, but, by degrees, it came to be adopted and the government has adopted the eight hours as the extent of daily service in the post office, and by the letter-carriers as well. Therefore, when we speak about overtime of half an hour or fifteen minutes, it is not an excessive service, even if it were eight hours and a half, or eight hours and fifteen minutes. But when you remember that the men who work that little overtime, are compensated for it, I think it can be said that the time of service is a most reasonable one. The sanction of the eight hours by regulation is of very recent date, and was not in existence when we took office. Running through the Montreal Post Office, I may say the following schedule regulates the time of service, in the different branches.

In the registration branch the average time is seven and a half hours ; no clerk is called upon to put in any extra time over the average eight hours. In the money order branch no extra time over the average eight hours. In the international exchange branch, eight hours. In the delivery branch, seven hours and fifteen minutes. In the letter despatch branch, seven hours and a half ; newspaper despatch branch, seven hours forty-five minutes ; night despatch branch (eleven o'clock to seven o'clock, with half an hour for lunch), that is seven and a half hours. All overtime compensated for by allowance of extra leave during the less busy time of the week.

I do not think that the people of Canada will be willing to allow any easier time of service than this. It is reasonable to a degree, and I doubt if the employers of Canada as a rule are as moderate in their requirements from their staff as this department is.

With reference to the alleged insufficiency of the letter-carriers, I have to say that throughout the United States the rule is one letter-carrier for 2,500 people ; while in the city of Montreal, there is one letter-carrier for each unit of 1,660 people. As to the statement in that letter, that letter-carriers were required to walk six leagues a day, I think I may say that such is not the fact. I am surprised that my hon. friend would pin his reputation to an anonymous communication of that kind. It may be all right for him to read it and call attention to it, but without venturing to advise him, I would not recommend him to pledge himself to the accuracy of the statement. As to the statement that the New York mail, arriving at 3.30 in the afternoon was delayed until five o'clock, thus delaying the mail delivery to the people, and at the same time inconveniencing the letter-carriers ; it is a very extraordinary thing that if such an important mail as that, bringing to the people of Montreal financial news that they most anxiously desired, were delayed to that extent, that the department has never had a complaint from any person who is interested in the delivery of that mail matter. I am assured by my officers that never once has there been a complaint

recorded by any person in Montreal that the mail due by that New York 3.30 train was delayed. If no person has complained, I think it is very strong evidence that the alleged delay does not take place. I am so satisfied with the efficiency of the work in Montreal in this respect, that. I can say, without of course absolutely knowing the facts, that that portion of the letter is wholly without foundation.

My hon. friend (Mr. Monk) proceeds to say, that the Post Office building in Montreal, is inadequate. He has now got on to a larger question, and is on ground where I can perhaps meet him. The post office building in Montreal does appear to have been very inconveniently constructed, and not to be in keeping with the proper requirements of the service. The department has been looking into that matter, and I hope we will be able before this session goes by, to bring the attention of parliament to the subject in connection with the estimates that will be laid before the House. I suppose that when it was built, the Montreal post office met the requirements of that day. The city, however, has grown and additional accommodation is required. Different views have presented themselves; some people have advocated the enlargement of the existing building, the acquisition of more land and the erection of an addition. Others have recommended the purchase of a new site and the erection of a new building altogether. Having looked into this matter, my officers have recommended an entirely different proceeding. This is not an age in post office management when concentration of work is considered the correct system. Instead, the modern policy is one rather of division of work, and it is considered better for the service. It is in contemplation to acquire a site somewhere in the vicinity of the great stations and to make use of the building on that site as an adjunct, and to distribute from it a certain portion of the mails which now congest the city post office. Further, a considerable portion of the mail matter that now passes through the Montreal post office, will, when this new system is inaugurated, be delivered at this new postal station, and go off by train, without ever having passed through the Montreal post office. It is also hoped to be able to connect that postal station, with the city post office by the pneumatic tube system, as is contemplated in the city of Toronto. I recently received a communication of a semi-confidential nature from the representative of a very large commercial body in Montreal, calling my attention to the state of the Montreal post office, and suggesting elaborate improvements. But when I explained the scheme we had in view, it commended itself to the representative as infinitely better than the old policy of simply having a grand structure, a pile of buildings, but not a practical work-shop such as the postal service of modern times seems to demand. I hope we shall be able to get over the congested state of affairs in the city post office before a great length of time.

Mr. MONK. It is a little surprising to hear my hon. friend, who is Minister of Labour, say that the extention or enlargement of the present post office is really a large and important matter, whereas the treatment of the staff employed there appears to him to be a very secondary matter. That is a strange assertion for the Minister of Labour to make. I should have thought that what would have been prominent in his mind would have been the treatment of what one might call the human slaves employed there by my hon. friend. But what is still more singular is this. The hon. gentleman takes the ground that I have given as my authority an anonymous letter. I did not give that communication as my authortiy at all. I said expressly that I was using it because it put in complete and concentrated form the grievances to which I referred. As a matter of fact, it is not an anonymous letter. It is a communication that was sent to the public press of Montreal generally by parties who knew whereof they were speaking, and I defy my hon. friend to attribute the authorship of that letter to any particular man. What I did state, and what my hon. friend has not denied, was that extra labour was exacted from these men. I said I knew it of my own knowledge, and I had a score of letters supporting that statement. My hon. friend has not denied it categorically, but he gave quotations from some officers of the department which practically admitted it. If these men are obliged to do extra work, how can my hon. friend maintain that the normal staff at the post office in Montreal is sufficient? My hon. friend has carefully refrained from denying my statement that they do not get any extra pay. I stated that in the United States for years the custom has been that post office employees are paid extra for extra time. My hon. friend will find that the postal official guide of the United States, published in 1896, at page 393, states that any postmaster who will exact extra work for more than eight hours from any employee after the first of May, 1893, will be liable to be dismissed from his functions.

Sir WILLIAM MULOCK. That is not a correct quotation.

Mr. MONK. It is a correct quotation. Does my hon. friend deny that in the United States post office employees who work extra are paid extra?

Sir WILLIAM MULOCK. I am informed that the only class of employees in the United States who are allowed overtime are letter-carriers.

Mr. MONK. Distributors also, I am informed ; and it seems natural. Why should a man be expected to give seven or eight hours a week more than his regular hours without receiving any extra pay ? Let my hon. friend go to Montreal and he will ascertain for himself the truthfulness of this memorandum which I have read.

Sir WILLIAM MULOCK. It is entirely in error.

Mr. MONK. My hon. friend is mistaken I live there, and I know what is going on, and I defy my hon. friend to meet me there and institute an inquiry. If he does he will find that both sorters and distributors, as well as letter carriers, have to work extra time.

Sir WILLIAM MULOCK. We have a record of the time of every person in the service, and that record speaks for itself. My hon. friend is entirely in error.

Mr. MONK. It is in that record itself that my hon. friend will find out the truth of what I say. I understand that there is a book in the post office where the employee records the hour that he arrives and the hour that he leaves, and that book will show that the employees are constantly called upon to furnish extra time. They do not object to doing that, but they object to not receiving proportionate pay for it. That is a fair demand. Why should not my hon friend find out whether the statement I make is true or not ?

Sir WILLIAM MULOCK. I have found out that it is untrue. The chief superintendent, Mr. Ross, was instructed to inquire into the matter, and he has made his report. It is no hardship to a clerk to work overtime occasionally when an emergency requires it.

Mr. MONK. I do not think my hon. friend has undergone the test, or he would not speak in that light way of a workman who sometimes works twelve hours in a day.

Sir WILLIAM MULOCK. If a man works overtime one day, he has to work less time another day.

Mr. MONK. Does my hon. friend say that if a man is obliged to work extra time one day, that time is made up to him another day ?

Sir WILLIAM MULOCK. Yes ; my deputy informs me that it is allowed to him in the succeeding week.

Mr. MONK. I think the deputy is misinformed. My information is that when they work extra time, they do not get extra pay.

Sir WILLIAM MULOCK. My hon. friend is wrong there, too. I adopted a system of classification, or a grade system, by which men are paid by the day, and in these cases, where the scheme is possible, they are even paid extra time.

Mr. MONK. Could my hon. friend tell us how much has been allowed during the past year under the head mentioned ?

Sir WILLIAM MULOCK. It must be very trifling, because there has not been much extra time.

Mr. MONK. My hon. friend is either in bad faith or badly informed.

Sir WILLIAM MULOCK. I am correctly informed and in good faith.

Mr. MONK. The facts are as I have stated. It would be very easy for my hon. friend to hold an inquiry. If he does, I will undertake to convince him that these men are obliged to give extra time for which they get no extra pay.

Sir WILLIAM MULOCK. I will make a proposition to my hon. friend if he wants to get at the facts. When that anonymous letter was published, I took notice of it by ascertaining whether the statements made in it were true or untrue. Mr. Ross, the chief superintendent, was instructed to inquire and report, and my statements are based on his report and on the report of Mr. Barcelo in the department. My hon. friend challenges the statements in Mr. Ross's report. My hon. friend challenges the accuracy of Mr. Ross's report. Well, I will have Mr. Ross go to Montreal and meet the hon. gentleman in the post office, and the hon. gentleman will then have an opportunity to produce what evidence he has, and we will see what Mr. Ross will report.

Mr. MONK. Will my hon. friend come to Montreal and meet me face to face and give me the opportunity of proving the truth of my allegations ? If he will do that, I am prepared to accept the result. There is no question of anonymous letters. I have a lot of correspondence signed by men whom I know but whose names I cannot give and I am able to substantiate the grievances I have stated.

Sir WILLIAM MULOCK. No, you are not.

Mr. MONK. The result is that we have a bad postal service in Montreal. The mails are not delivered in time and the root of all the evil is in the policy of my hon. friend to try and obtain a surplus at the expense of the working men.

Sir WILLIAM MULOCK. My hon. friend says we have a bad service and that the letters are not delivered in time. In saying this, he attacks the letter-carriers.

Mr. MONK. I do not.

Sir WILLIAM MULOCK. That is what it amounts to, because we have a staff of letter-carriers sufficient for the requirements of the service and there are no com-

plaints from the general public. When he says that the mails are not delivered on time, that is a matter between him and the carriers, and they would probably bring him to account.

Mr. MONK. I would undertake to prove to my hon. friend, when he comes to Montreal, in a manner beyond doubt, that the delivery is not satisfactory and that it is due to his policy.

Mr. R. L. BORDEN. It is desirable to have a surplus in the Post Office Department as well as any other department, but not by means of overpaying or overworking the officials. I do not pretend to know anything of the facts in controversy between the hon. gentleman and my hon. friend from Jacques Cartier (Mr. Monk), but I could not very well gather from the Postmaster General whether he considers that these men should not be paid for over work or that no overwork is imposed on them. He was not very clear on that point. In the railway service I understand that a system is adopted under which a certain number of miles is regarded as a day's work of an engineer or conductor or other trainman, and any additional number of miles is paid for extra. If the problem which has been brought to our attention by my hon. friend from Jacques Cartier could not be solved in any other way, perhaps it could be dealt with on some such system as that. If I am not interfering in the discussion which my hon. friend has raised, I would like to draw attention to the presentment of the grand jury of the county of Halifax, made in the term of last March. It is reported in the press as follows :

THE O'CONNELL CASE.

In the case of O'Connell, charged with stealing from the Postmaster General, the grand jury yesterday made the following presentment :—

As a result of investigations in the case of the King vs. O'Connell, charged with stealing registered packages from the bag of a letter-carrier, and from personal observations, the grand jury beg to call attention to the urgent need of largely increased facilities for the more prompt delivery of, and greater protection to, letters and other mail matter for the people of Halifax.

From the facts within the knowledge of the grand jury, it appears that though the amount of mail matter received at the Halifax post office has increased fivefold within a period of twenty-five or thirty years, the staff of letter-carriers, though increased from five to twenty-three, is not enough for the needs of the service now demanded ; while it is a very suggestive fact that the inside staff has actually decreased in number during that period.

The inevitable result follows, viz., that the men are not only overworked and the people do not obtain that prompt delivery of the mails enjoyed by much smaller cities all over the Dominion, but, because of insufficient staff, ordinary letters as well as registered matter are not accorded that protection from robbery that the public expect and demand.

The grand jury beg to recommend that, in order to insure the ample protection to all mail matter, and for more prompt delivery to the people of Halifax, the Post Office Department be urged to provide additional help both for the inside and outside service ; and that the postmaster should take the necessary steps to see that no carrier be permitted to leave the office with a heavier load and larger bundles than he can handle with despatch and safety from loss, as is now frequently the case.

If this statement is in accord with the facts, it discloses a somewhat serious condition of affairs. Men are described as overworked and the public is not receiving that accommodation from the public service to which it is entitled. No doubt this presentment has been brought to the attention of the Postmaster General. Has he made any investigation into its allegations and with what result ? The body which has made these presentments is an important one, selected from the most influential citizens of the city and county of Halifax, and I am sure they would not make statements without having the proofs of what they allege.

Sir WILLIAM MULOCK. This is the first I have heard of the presentment in question, but my deputy informs me that the chief city superintendent of post offices, Mr. Ross, visited Halifax a short time ago on his usual round, and reported the staff as up to par. There is no insufficiency in it. As to the general presentation itself, it has been referred to Mr. Ross for investigation, and he will investigate as soon as possible. It is very easy for people in the best of faith to be carried away with the idea that the remedy for any evil or misfortune is an increase in the staff. It is a chronic idea throughout the whole public service that if anything is wrong, the best way to right it is to engage additional hands. I do not want to reflect on the service, but whoever has charge of the transaction of business in any walk of life knows that an increase in the staff is always very popular among the employees. There is no intention of skimping the service anywhere, but I believe you could not do any greater injury to the service itself than to have it overmanned. The statement that the employees are overworked is without foundation. Of course there are emergency occasions in every post office when the clerks must work overtime, but that is inseparable from the duties of the office and is part of their engagement. But as to that being the normal condition, such a statement is altogether unfounded, and those who made it have been misled.

Mr. R. L. BORDEN. I shall not enter into any controversy on that point. The report of Mr. Ross seems singularly inconsistent with the statement of these gentlemen who

had this matter investigated before them under oath. I have discharged my duty by bringing the matter to the attention of the Postmaster General. I should be inclined to think that men such as those of whom, to my own knowledge, the grand jury of Halifax, is composed, would not make a statement of that kind without very good foundation for it; and until I was more sure of the thoroughness of Mr. Ross's investigation, I would not be prepared to accept his statement rather than that which has been made by the grand jury.

I wish to bring to the attention of the Postmaster General another matter as to which I have had some communication through the public press and otherwise—the salaries of the second-class clerks in the outside service in the post office at Halifax. I understand that some representation has been made to the Postmaster General on that point, and that those interested have put forward cogent reasons why their salaries should be taken into consideration, especially, I believe, some who have been in the service a long time and who have not received the consideration which has been extended to others of more recent appointment. I would like to ask the Postmaster General whether their representations have been taken into consideration, and whether it is likely that any change for the better will be made in their case, especially those of long service in the department?

Sir WILLIAM MULOCK. If the hon. gentleman (Mr. R. L. Borden) wishes to ask whether it is the intention of the government to deal with the second-class clerks of the outside service as a class, I would say that it is not in contemplation at the present time, to pass legislation altering their status. As to promotions or increases, these are matters relating to individuals. It is our effort to promote deserving men, and we are constantly ascertaining those deserving of such recognition, for nothing gives me greater pleasure, in connection with my work, than to recognize the merit of those who are deserving. It may be possible—but I doubt it very much—that there are one or more persons in the Halifax post office who are not being properly remunerated for their services. Length of service, in a sense, is a reason for promotion, but it is only one ground for such recognition. It is a consideration, and an important one; nevertheless the requirements of the service, the duties performed and the remuneration actually received, are all elements to be considered in each individual case. Mr. Ross makes it his business to consult with the city postmasters from time to time to see whether merit is being duly rewarded and whether there are any deserving men being underpaid. If, by any chance, there is an oversight, it is purely accidental, because, as I stated before it is a source of special pleasure to me, at all times, to recognize merit.

Mr. R. L. BORDEN. I understand that what I am referring to relates both to a class and to individuals as well. I understand that the second-class clerks in the Halifax post office represent that the cost of living is greatly increased, that their opportunities of promotion to first-class rank are very small, and they are desirous, as I understand it that they be permitted to obtain a maximum salary of $1,500. I also alluded to others who might be entitled, without change in the law, to higher salaries than those which they enjoy at present and who consider themselves as much entitled to certain increases of salary as men of more recent appointment who have been accorded that increase. It is on behalf of the class, and on behalf of the individuals to whom I refer that I am making this representation. I hope the Postmaster General will not regard the matter as finally closed but will take the case of these men into consideration. It is possible, as he says, that some of these men may have been accidently overlooked. Of course, it is not the slightest consolation to them that they have been overlooked by accident——

Sir WILLIAM MULOCK. I did not refer to the matter in that sense.

Mr. R. L. BORDEN. I know that. But, if these gentlemen had been overlooked by accident, it is just as unfortunate for them as if they had been overlooked by design. Therefore, there may be some reason for further consideration of the matter, and I hope that consideration will be given.

Sir WILLIAM MULOCK. I suppose the hon. gentleman is aware that the salary of a second-class clerk in the city post office of Halifax goes to $1,200, the minimum being $900. My hon. friend (Mr. R. L. Borden) will know better than I what is the average salary paid to persons in Halifax performing services not calling for greater ability or more arduous labour than is required of a second-class clerk. Some little proportion must be maintained between the two things. At the same time, my view is that, in this age, the government should be, more or less, a model employer, and, where there is any doubt should lean in the direction of higher salaries. I endeavour to carry out that policy and to see to it that the staff are paid not less, but at least a shade more than is paid for similar services in private walks of life. I may say that it is the practice of the department now to overhaul the whole staff of the outside service yearly with a view to considering cases of promotion. The case of each individual is investigated. That examination has been going on throughout the whole of Canada for some little time.

Mr. R. L. BORDEN. Of one thing you may be pretty sure and that is that within the last eight or ten years the cost of living has increased very considerably, as, also

has the general scale of salaries paid in the city of Halifax, I think that corporations and other employers of labour have been obliged to put their scale of salaries considerably higher than that which prevailed eight or ten years ago; and it is largely on this ground that these men make their application. Further, I think, the applicants represent that the clerks of the second class of the inside service have a maximum salary of $1,500. I do not know whether that is correct or not.

Sir WILLIAM MULOCK. That is correct.

Mr. R. L. BORDEN. They represent that those in the outside service should be placed on the same basis, because their expenses are equally great, and they suffer from the increased cost of living and they see no reason why, with the long service they have rendered, they should not be entitled to a maximum salary equal to that enjoyed by those in the inside service.

Mr. WM. ROCHE (Halifax). I wish to remind the Postmaster General that some time ago I made a recommendation to the effect that there are several officers in Halifax post office, who through their length of service and efficiency might well be advanced from junior clerkships to a higher grade. I would beg to again call his attention to that. There has been no surplus of clerks there and recently the work of the Post Office Department has been increased by the very large amount of literature which has been sent there for distribution to the various portions of the county of Halifax.

Sir WILLIAM MULOCK. Some few weeks ago when my hon. friend (Mr. Wm. Roche) brought this matter to my notice it was referred to Mr. Ross, the inspector, for investigation, and there are now in the department reports from Mr. Ross upon the subject which my deputy is now going through.

Mr. CLARE. I wish to call the attention of the Postmaster General to the necessity of repairs in the Galt post office. There is but one entrance to the building and when the mails are being distributed there is great crowding and in cold weather the doors are kept open by the crowd, so that it is very uncomfortable. If there was another door people could pass out that way, and avoid crushing. There should also be a private office for the postmaster himself and there is an insufficient number of post office boxes. These matters should be attended to at once, and improvements similar to those in the Berlin post office should be made there.

Sir WILLIAM MULOCK. Communications were received some time ago upon this subject, the Galt post office was visited by the inspector and he made a recommendation which has been approved of by the Post Office Department and has been forwarded to the Public Works Department, so that I have very good reason to believe that the improvements suggested will be carried out.

Mr. CLARE. Then I suppose there will be in the supplementary estimates an amount for the necessary changes, so that the work will be done before the cold weather comes on.

Sir WILLIAM MULOCK. I wish the Minister of Public Works was here so that he would feel the benefit of my hon. friend's appeal, but I shall call his attention to it again although as I say the Post Office Department has already communicated to the Public Works Department the necessity for the alterations referred to.

Mr. R. L. BORDEN. I would like to again mention to the Postmaster General what I mentioned to him last year, that is that very serious complaints come to me every now and again with regard to the mail service at Vankleek Hill. I suppose that these complaints also come to the Postmaster General and that he has taken them into consideration. Is there to be any amelioration of the situation described in very glowing terms in some of these communications which I have received?

Sir WILLIAM MULOCK. I do not like to speak from memory lest my memory be incorrect, but if my hon. friend will let me have the memorandum I shall inquire into this matter.

Mr. R. L. BORDEN. I would also like to call attention to the raising of the rates of book postage from 4 to 8 cents per pound. Would the Postmaster General be good enough to inform me as to whether that is a recent change or not?

Sir WILLIAM MULOCK. The rates of book postage in Canada have been brought into harmony with those in the United States and other countries within the postage union, that is, one cent for two ounces.

Mr. CLARKE. What was the rate before?

Sir WILLIAM MULOCK. One cent for four ounces.

Mr. CLARKE. The rate has been doubled by the hon. gentleman?

Sir WILLIAM MULOCK. The present rate is one cent for two ounces, which is the postal union rate.

Mr. CLARKE. And the rate before was one cent for four ounces?

Sir WILLIAM MULOCK. That is what it was.

Mr. CLARKE. How much additional revenue does my hon. friend hope to get by that increase?

Sir WILLIAM MULOCK. Practically nothing, very little I presume.

Mr. CLARKE. Can the minister not inform me within $5,000 or $10,000 what increase he expects in the revenue of the department ?

Sir WILLIAM MULOCK. I have no way of forming an accurate estimate.

Mr. CLARKE. What is the idea in increasing the rate if the hon. gentleman has no idea of an increased revenue ?

Sir WILLIAM MULOCK. We were the only country which had the low rate.

Mr. CLARKE. How much additional revenue does the minister hope to get ?

Sir WILLIAM MULOCK. While it is quite impossible to give figures it is quite possible to show that the experience of other countries is of some assistance to us. We were the only country in the wide world carrying books at such a rate as one cent for four ounces and we have only fallen into line with the rest of the world by making the rate one cent for two ounces.

Mr. R. L. BORDEN. The hon. gentleman has been claiming that we were leading the way in other respects but we are not leading the way in this very important respect. Why is it that we are receding ? Why is it that we are retrograding in this regard by adopting a system which must result in discouraging the circulation of good literature. Good books ought to be distributed amongst the people of the country, and why should you tax the people double the amount which they were formerly taxed for the transmission of books ? Is not that a somewhat serious consideration ? We have a very large country and a sparse population and it is desirable that the people should receive books as cheaply as possible. As we have been leading the way for so many years in the matter of book postage, why is it that we are retrograding, going back, and keeping the rate simply as the hon. Postmaster General says at what has prevailed in other countries ? I hardly regard the action of the Post Office Department in this respect as being up to the high standard which the Postmaster General has claimed for it in other regards.

Sir WILLIAM MULOCK. The fact is that we have had to carry so much Tory dead-head literature through the mails that we must compensate ourselves in some way.

Mr. R. L. BORDEN. The hon. gentleman admitted that he sent out a great deal more from his side of the House than from the opposition side and so he had better give himself credit for that.

Sir WILLIAM MULOCK. I did not admit it.

Hon. WM. ROSS. I do not think we should follow the example of the United States in this regard or in a great many other ways. I think that we should progress rather than go back. I had interviews with a number of gentlemen of different professions in Halifax before I left and they informed me that when they got books that were expensive and which belonged to the different professions with which they are connected they consider the postage a great burden. I think the Postmaster General has taken a step in this respect in the wrong direction.

At six o'clock, committee took recess.

After Recess.

Committee resumed at eight o'clock.

Mr. CLARKE. At six o'clock the hon. member for Victoria, Nova Scotia (Mr. Ross) was expressing his regret that the hon. gentleman the Postmaster General had seen fit to double the postage rate on books sent through the mails, and we were trying to ascertain from the hon. gentleman what it was that prompted him to make the change. The only explanation was that he wanted to make the rate uniform with that which obtained in other countries in the Postal Union. We endeavoured to ascertain from the hon. gentleman how much he hoped to increase the revenue of the Post Office Department by that change but we have not yet been able to get that information. I have heard of no general demand for an increased rate on books on the part of the public. There was no petition sent in asking that the rate be increased. It must have been increased for the purpose of implementing the revenue of the department. I would ask the hon. minister how much he hopes to increase the revenue by doubling the rate.

Sir WILLIAM MULOCK. I understand that the revenue from the book rate is comparatively trifling and therefore no very serious addition to the revenue would be made. Something would be made but I understand that the old rate did not anything like pay the cost of the service.

Mr. CLARKE. Is there no estimate of the revenue from newspapers, letters, parcels and books ? There must be some estimate in the department of the probable revenue from these sources. Surely we might expect the hon. Postmaster General to be able to give us some information as to how much he hopes to increase the revenue by the increased rate on books which he has imposed.

Sir WILLIAM MULOCK. I do not know whether the hon. gentleman stated that there was no estimate of the increased revenue derived from these various classes of mail matter, but if he did so he was in error. There are estimates as to the revenue from newspaper postage, but there are no data

as to the revenue derived from other branches of the service. On reflection the hon. gentleman will see that it would be impossible to have definite data upon that subject. Take a post office like that of Toronto for instance; all classes of mail matter, letters, circulars, parcels and newspapers are rushed in at the last moment probably for the outgoing mail. The work of stamping sorting and despatching occupies the time until the close of the out-going mail and it would not be possible to keep tab on all the different classes of mail matter going through the office. I can conceive of no possibility of doing that.

Mr. CLANCY. There might be a large revenue for all the hon. gentleman knows by reason of the increased rate.

Sir WILLIAM MULOCK. Any person who goes into a post office will see that the volume of books as compared with other classes of mail matter is comparatively trifling.

Mr. CLANCY. But, including parcels with books on which the hon. gentleman has increased the postage it would have been a matter of very great interest to the country if the hon. Postmaster General could have come down and stated the increase that the revenue had by reason of increasing the postage on that class of mail matter such as books, pamphlets and parcels, the transmission of which, the hon. gentleman knows, has immensly increased throughout the country.

Sir WILLIAM MULOCK. What has immensely increased ?

Mr. CLANCY. The business of the Post Office in handling that class of matter as the hon. Postmaster General's deputy will tell him has immensely increased. Having doubled the postage on that class of mail matter, he must expect to receive an immense addition to the revenue.

Sir WILLIAM MULOCK. The hon. gentleman (Mr. Clancy) speaks without information. The volume of parcel postal matter has not materially increased.

Mr. CLANCY. I want to say to the hon. the Postmaster General that if he is deriving his information from his deputy who is sitting beside him, it is at variance with such statements as one can put his hand upon and compile in one of the departments of the government. And I may tell the hon. gentleman that I will point that out later on to him.

Sir WILLIAM MULOCK. Proceed.

Mr. SPROULE. I do not know whether you mean by book-post simply books, but the volume of business in matter that is partly printed and can be filled up in writing, such as deeds and agreements and documents of that kind, has increased very much. I know from having to do with some work of that kind, that our postage has increased one-half or one-third since the change was made. The increased rate means quite an increased cost to loan companies, and insurance companies and institutions of that kind.

Sir WILLIAM MULOCK. The law fixes the rate of postage on letters, and surely a person cannot take a blank form partly printed and fill up his ideas on that in writing, and have it regarded as a letter. I am not aware of any government that allows such an evasion of the law.

Mr. SPROULE. The question is not whether any one is trying to evade the law, but whether the people pay more now than formerly.

Sir WILLIAM MULOCK. Formerly it was impossible for postmasters to tell what was the proper rate.

Mr. SPROULE. It is so yet.

Sir WILLIAM MULOCK. No.

Mr. SPROULE. So at least one postmaster has told me.

Sir WILLIAM MULOCK. My hon. friend has allowed himself to be deceived; he is too readily loaded up against the government.

Mr. SPROULE. The friends of the government have told me so.

Sir WILLIAM MULOCK. They do not tell us that. Postmasters complained formerly that the rates on different classes of mailable matter were intricate. If I had the statute here, I could show that it would take a Philadelphia lawyer to make out what was the proper rate to be charged on lithograph matter and printed matter, for example. Either the postmasters had to open the documents, or refer to the department at Ottawa, or take chances on collecting the proper postage, and often one person paid one rate and another person paid a different rate on the same class of matter. It was most inconvenient, and therefore we put many of these things into one class, so that all persons would be treated equally. It was not done so much for the sake of revenue as to put the business on a proper basis.

Mr. SPROULE. It may be better now than it was before, but it is ambiguous yet. I have been called on to discuss the matter with more than one postmaster.

Sir WILLIAM MULOCK. On what item ?

Mr. SPROULE. The Markdale postmaster, for instance.

Sir WILLIAM MULOCK. I asked, on what item ?

Mr. SPROULE. Take blank certificates done up in the ordinary tube, which are all

printed matter except the signature. What class would they be in ? I cannot tell the exact percentage of increase in the rates, but my experience is that the increase is at least one-third more than before.

Sir WILLIAM MULOCK. It is merely a simplification.

Mr. CLARKE. Friendly benevolent organizations, in sending out their reports, have to pay just double the postage they did previously. Surely the minister cannot assert that he has no knowledge as to how much the revenue has been increased as a result of this change, which must have been made for the purpose of getting more revenue. Would it be $150,000 or $200,000 ? Occasionally I see a statement issued as to the number of letters, postal cards and newspapers passing through the mails. Are these actually counted, or is there an estimate made ? If this can be done, I should think that the minister ought to be able to give us an idea as to how much he has increased the revenue by this additional tax. It is not a popular tax, and in view of the financial statement the minister has made. I rather astonished he did not take it off. The hon. gentleman says that those who complain are not friends of the government, but I would point out that in this evening's Montreal 'Star' there is a letter from a prominent Liberal, well known in the community, Mr. Norman Murray, a bookseller in Montreal, who draws attention to this very matter. Mr. Murray writes :

> At the close of the last financial year the Post Office Department had a surplus of nearly $300,000, yet they raised the book postage from 4 cents to 8 cents a pound. Now I call myself a real Liberal, but I fail to see what the Liberalism of the party in power consists of.

I am sure the Postmaster General must know Mr. Murray as a political friend. At all events, the Minister of Marine and Fisheries would probably know him very well.

Mr. PREFONTAINE. I know him.

Mr. CLARKE. If there were a surplus to the credit of the Post Office Department, why should the postal rate on books be doubled ? It must have been done for the purpose of increasing the revenue, and the Postmaster General must have some idea as to the extent of the increase of revenue by this additional taxation. Are we to have no answer ?

Sir WILLIAM MULOCK. I have explained to the hon. gentleman twice, and I am quite willing to repeat, if that be deemed necessary. The hon. gentleman asks whether there are statistics upon which to base an estimate——

Mr. CLARKE. Not that ; I assumed, and I think fairly, that the object of doubling the rate on books was to increase the revenue, and I asked the Postmaster General if he could not give some approximate idea at least as to how much he hoped to increase the revenue by the imposition of this additional tax. I do not ask the hon. gentleman to give me the exact amount, but approximately. Would it be $50,000 or $100,000 ?

Sir WILLIAM MULOCK. The hon. gentleman is talking wildly. All governments have some regard to rates. The late government fixed one cent an ounce as the cost of carrying merchandise, regarding that rate as appropriate. That is still the rate. In fixing that rate, I suppose the government had some reference to the cost of transportation. Therefore half that rate does not seem unreasonable as the book rate. When the hon. gentleman asks for information as to the revenue derivable from book postage, I ask him to imagine himself in a post office when mail matter is coming in or going out, and see if he can form an intelligent idea of the amount of books compared with other mailable matter passing through the office. There are books, parcels, circulars, newspapers, letters and whatever else is mailable, all bundled off perhaps at the last moment. All the staff can do is to sort the matter and put the various parcels in the respective bags to which they belong, and out goes the whole volume of mail matter. How would it be possible under these circumstances to have statistics, or to form any intelligent idea of the volume of the different classes of mail matter posted at a particular post office ? It is a practical impossibility. It is not done anywhere, and it could not be done unless we chose to suspend the proper despatching of the mails in order to keep account.

Mr. CLARKE. I understand from the minister that he does not know anything as to the probable increase of revenue from this form of taxation ?

Sir WILLIAM MULOCK. It must be a comparative trifle.

Mr. CLARKE. I suppose it would not be more than $100,000 at any rate ?

Sir WILLIAM MULOCK. The hon. gentleman knows full well that in suggesting $100,000 he is talking wildly.

Mr. CLARKE. Do not the country postmasters keep an account of the sale of postage stamps, postcards and money orders?

Sir WILLIAM MULOCK. A postmaster in the country, who is paid by commission, is paid upon the revenue of his office and the number of special services he performs. He is paid a commission upon the postage stamps and postcards sold, the volume of the money order business, the postal note business, and the savings bank business if it is a savings bank branch. He is also

sometimes allowed something for night work, an allowance called a forwarding allowance, and an allowance for rent, fuel and light. These allowances are based upon the business done in the office. That is a very different thing from keeping the record of the different classes of mailable matter that go out.

Mr. BENNETT. Is there not a system in force of instructing the postmaster, say in a town office, for two weeks or a month to keep a strict account of all letters, postcards and other matter which pass out of the office, so that his salary may to a certain extent be based on the result ?

Sir WILLIAM MULOCK. About twice each year an enumeration, as it is called, is made in the different post offices, of the different classes of mail matter and the revenue derived therefrom. That system prevails only where the postmasters are paid by percentages. But even in those cases, there is nothing in the enumeration list to distinguish books from any other class of mail matter in which they are included. The enumeration divides the mailable matter into four classes—letters and post cards, newspapers, merchandise, and miscellaneous, which is a very large class, and which includes books.

Mr. BENNETT. As the bulk of the offices are not paid by salaries, but by fees, the amount of mail matter that comes in and goes out of each post office could easily be arrived at; and it seems to me that books might be made a distinct class, like postcards and letters.

Sir WILLIAM MULOCK. The hon. gentleman is in error in saying that nearly all the officers are on the percentage basis. Numerically he is right, but not so far as volume of business is concerned. I would say off-hand that quite one-third of the revenue is derived from offices where the staff is not paid by way of commissions.

Mr. BLAIN. The minister has stated that he could give the committee the amount of revenue derived from newspapers. Would he be good enough to give that ?

Sir WILLIAM MULOCK. I gave that two days ago, in answer to a question. It is in 'Hansard.'

Mr. BLAIN. The hon. gentleman reduced the rate, I think, from one-half to one-quarter cent per pound. Could he state how this change affected the revenue ? Another change which the hon. gentleman made was to permit a person wishing to mail say one hundred printed pamphlets, to send them by making a cash payment instead of using postage stamps. How much revenue has he derived from that change? It is important to have all this information in order that we may judge whether the changes made are in the interest of the country.

Sir WILLIAM MULOCK. The hon. gentleman has asked what has been the effect of the revenue of the department of the reduction in the rate of postage on newspapers. I cannot give the figures, but the immediate effect was a very substantial loss of revenue. The newspapers however soon increased the volume of their output so as to bring the revenue up to almost where it was, and we are carrying a very much larger quantity of papers for the same money.

Mr. MACLEAN. When was the rate of ½ cent a pound put on ?

Sir WILLIAM MULOCK. I think about, 1898. One-quarter of a cent per pound was imposed on the 1st of July, 1898, and one-half a cent on the 1st of January, 1899. I understood my hon. friend to ask how much was paid by the publishers on mail matter in cash instead of in postage stamps. There is no account kept of that, but the reason of the change was this. The publishers found it inconvenient to affix a stamp to each separate piece of mail matter ; and in order to save them trouble, the department provided for payment in bulk whenever the quantity of mail matter involved the payment of $25 or upwards. Instead of affixing a stamp to each separate piece, the publishers paid cash, and then the goods are marked 'Paid for in bulk.'

Mr. BLAIN. The hon. minister has said that the decrease in the rate of postage on newspapers has resulted in an increase in circulation.

Sir WILLIAM MULOCK. No, but I said there has been an increase in the quantity of newspapers sent through the mails.

Mr. BLAIN. I understood him to say that when his government made the postage one-half cent per pound on newspapers and afterwards reduced that to one-quarter of a cent, the immediate effect was a decrease in the revenue but shortly afterwards the revenue came up to its original amount. Therefore the effect of the increase in postage was an increase in the quantity of newspapers sent through the mails.

Mr. MACLEAN. A larger weight, not a larger number.

Mr. BLAIN. My hon. friend says that the number of newspapers was not larger, but that the public got larger newspapers for the same money and therefore got the benefit. Would not the same effect follow a reduction in the postage on books ? My hon. friend has doubled the cost of sending books through the mails, and it is fair to assume that caused a decrease in the number of books going through and therefore caused great disadvantage to the public. He

claims a great deal of credit for his management of the department, and I suppose that some considerable portion of the credit he claims is due him, but it would be only fair to say that the change in book postage was not in the interests of the public but was rather for the purpose of increasing the revenue.

Sir WILLIAM MULOCK. Whatever may be said about the effect of the postage on newspapers, I think there is one thing on which we can all agree, and that is that this country is not suffering from a dearth of newspapers. As to the rate of postage on books, when the hon. gentleman tries to draw a comparison between books and newspapers, I would say that the postal service is as full of anomalies in the matter of rates as is the railway service. The rates charged on one class of matter are not any guide to what might be the rates proper to charge on another class.

Mr. CLARKE. Why does not the hon. gentleman straighten out the anomalies ?

Sir WILLIAM MULOCK. I must leave something for successors. Some day the hon. gentleman expects to be in my place, and I want to leave him something to do.

Mr. CLARKE. The tax upon the public in the matter of postage on newspapers amounted last year to $129,417 and for the ten months to the 30th of April this year to $100,071. That is the result of the decrease in the postal rate. If there is no perceptible increase as the result of doubling the postage on books, why not do away with the increased postage ?

Sir WILLIAM MULOCK. Would it not be better to begin by making letters free and let everybody have the benefit ?

Mr. CLARKE. If you would reduce the tax on drop letters in cities from two to one cent, you would be conferring a great benefit on the public.

Sir WILLIAM MULOCK. My hon. friend's colleague wants it reduced to one-half a cent.

Mr. CLARKE. You are doubling the rate on books and thus making it more difficult to disseminate information through the country. If you would reduce the drop letter rate from two cents to one cent, that reduction would be very much appreciated. There are, as the hon. gentleman admits, anomalies in the postal rates. The hon. gentleman will send out a circular, which weighs as much as four letters, and that will be distributed by the same letter-carrier for a cent whereas a thin letter is charged two cents. At the same time a postal card is delivered at one cent. It is hardly worth while to continue the government tax on books.

Sir WILLIAM MULOCK. Before taking off the postage on books, if we are going to have free mail matter, why not begin with having free letters. If my hon. friend is in favour of free letters, let him say so. His colleague from Halton last night argued in favour of a reduction of the letter rate in cities from two cents per drop letter to one-half cent.

Mr. HENDERSON. I argued no such thing. I will explain later on what I did mean.

Sir WILLIAM MULOCK. My hon. friend explained that the rate on drop letters in cities was excessive. Instead of two cents it should be one-half cent.

Mr. HENDERSON. I beg the hon. minister's pardon. He was boasting about the large amount in postage he had saved to the people, and I simply remarked that in the cities he had saved nothing because the postage was two cents to-day as before. I made no complaint and did not ask him either to increase or decrease the rate. All I did was simply state the fact that the hon. gentleman had neither increased nor decreased the postage rate in cities.

Sir WILLIAM MULOCK. My hon. friend has quite forgotten what he told us. He used the term half-cent rate, and I took exception then, as I do now, to any such reduction. I took exception to his demand that the drop-letter rate in the cities should be reduced below two cents either to ½ cent or anything else and I took issue with the hon. member for West Toronto (Mr. Clarke) on the same proposition. If the hon. member (Mr. Henderson) will refer to 'Hansard' he will see what he said. The hon. gentleman asks that we reduce the drop-letter rate from 2 cents to 1 cent. I said then as I say now that, inasmuch as the inhabitants of cities have their mail matter brought to them in their houses or offices, it is reasonable that they should pay more on some classes of mail matter than is paid by persons living at points not served by free carrier delivery. People in towns where there is no free delivery must go to the post office for their mail matter. And the government of hon. gentlemen opposite —not this government—decided that, in order to equalize matters, a higher rate should be paid on drop-letters in localities enjoying the letter carrier system than in others. I think that has been the policy of this country even since the free letter carrier system was established, I adhere to that policy. It is one of the few legacies of the late administration which commend themselves to the fair-mindedness of the people. I object to giving to the city advantages not enjoyed by the rural population, and at the same time giving them equally low rates. If cities are to have free delivery they ought to contribute something for the extra advantage they enjoy over their less fortunate fellow citizens in outlying points. And so I say the country will

not support the demand of the hon. member for Halton and the hon. member for West Toronto in this regard. Let the hon. gentleman go to his own constituency and tell the people of Oakville or Bronte that he suggested that the drop-letter rate in Toronto should be cut down from 2 cents to ½ cent while the drop-letter rate in Oakville, Bronte and Milton should remain at 1 cent. I would like to know whether he will have the endorsement of the electors of the county of Halton in that ? I cannot believe that, on mature consideration, he will adhere to that view. I can understand the hon. member for West Toronto advocating it. It is quite in harmony with the interests of his own people. Probably it is his duty to present all phases of the question, that it may be argued and debated and reasons given for making the change or withholding it. I can understand that hon. gentleman advocating this change, as it is his duty to do in the interest of his constituents. But I cannot understand a gentleman representing a rural constituency advocating it. However, my view is that the cities which get the advantage of free delivery should pay something for the privileges they enjoy over less favoured parts of the country.

Mr. HENDERSON. I am afraid the Postmaster General (Sir William Mulock) has wasted a good deal of wind on the hon. member for Halton (Mr. Henderson) and has worried himself unnecessarily as to the views his constituents in Oakville, Milton or Bronte may have as to what he said with reference to drop-letters in the city of Toronto or elsewhere. To be brief, I will read from 'Hansard' what I did say. It fully corroborates the statement I made a moment ago—that I made no complaints about the Postmaster General not having reduced postage in the city of Toronto where there was free delivery. I did not ask him to do that ; I did not suggest that he should do it ; in fact I would not say that I would approve of his doing it. I was discussing the question of the reduction of postage. The hon. gentleman (Sir William Mulock) had boasted that he had done so much for the people and had reduced the postage by one-third. I simply pointed out that he had only reduced the postage in certain instances, not in all, and consequently the reduction did not amount to one-third. The statement I made with reference to the two-cent rate was as follows, as the hon. gentleman will find by referring to page 5822 of 'Hansard :'

> What about the people in the cities who are paying a two cent rate on drop letters just the same as they have been paying previously ? How can the hon. gentleman come here and say that he has reduced the postage by one third ?

Sir WILLIAM MULOCK. That is not all the hon. gentleman (Mr. Henderson) said.

Mr. HENDERSON. That is all I said with reference to the postage in cities. Now I will tell the hon. gentleman that I did suggest, and I will suggest again—and I think it is a very proper thing—that, in rural sections where there is no postal delivery it would be a very proper thing to reduce the postage on drop letters to ½ cent. I think that would be a very fair proposition. The government would not lose very much by it and it would be of material advantage to a great many people in the country. The hon. gentleman may know—because he is a business man—that merchants in the country towns and villages are taking advantage of the post office a great deal more than in former years for the purpose of advertising their wares. Instead of advertising so much in the newspapers, they draft a circular and send it to their customers or to the constituencies among which they do business. Possibly they do this three or four times a year. These letters are mostly drop-letters—letters addressed to persons at the post office at which the letters are posted. That is the kind of letter I referred to when I suggested that the postage might be reduced to ½ cent. I think that would only be in keeping with the privileges granted elsewhere. Why should I or any business man in my town put a one-cent stamp on a letter and drop it in the Acton post office to be delivered in that same post office without any expense to the government of carrying it through the mail ; when, for two cents, I can send a letter from Acton to Hong Kong? I do not think that that is reasonable, and I believe that the suggestion I make is only a fair one and one that is quite in harmony with the hon. gentleman's postal tariff. I trust the hon. gentleman now understands me fully, and that the severe strictures he made upon the argument he attributed to me that the rate on drop-letters where there is free delivery should be reduced to one-half cent will be withdrawn as being based upon a misapprehension. I am quite sure that it was a mere slip of the memory and that it was not done with the intention of arousing unnecessarily the indignation of my constituents in Oakville, Bronte and Milton. I remember that he was out there on one or two occasions and talked very largely about the deficit the Conservative party had—according to his statement—of $750,000 in the last year they were in power. The hon. gentleman paraded that deficit with all the volume of voice he was capable of spreading over the riding. But it all had no effect. The friend whom he took out from Toronto to supplant me returned shorn of his laurels. I fancy that the attack which he is going to make upon me in Oakville and Bronte and Milton on the matter of the unfairness that I suggest with reference to the postal rates as between these towns and Toronto will have just about the same effect and I hope the hon. gentleman when the time comes will pay us another visit and give us another opportunity of seeing how effectual his arguments are

with the intelligent people of the county—I am speaking of the reasonable people of the county.

Mr. CLARKE. I am sorry that I riled the hon. gentleman in suggesting very respectfully—as I always address the hon. gentleman—that as he had doubled the tax on the people by the increase in the rate on books, he might take into consideration the advisability of giving them some relief in the matter of drop-letter rates. It is a fact that large firms in the city of Toronto, and I presume in Montreal, Ottawa and other large centres, deliver their letters themselves by messenger at a less cost than by the post and probably more speedily. For that reason I think the matter is one which should have the attention of the hon. gentleman, especially when he distributes circulars inclosed in envelopes weighing more than ordinary letters and postal cards for a cent. If my memory serves me, he did not always speak out as vigorously against the proposition to reduce the drop-letter rate as he has done to-night. When a deputation waited on him in Toronto I think he held out the hope that something might be done, and I am sure they will be grieved and pained to hear his vigorous denial to-night at the mere suggestion to reduce the drop-letter rate. Might I ask if he has any idea of the revenue derived in Toronto from drop-letters ?

Sir WILLIAM MULOCK. It is very unfortunate that it is impossible to address a remark to the hon. member for West Toronto (Mr. Clarke) without his at once assuming that some terrible attack has been made upon him. It is all right for the hon. gentleman to present an argument, or what is advanced as an argument, but when a reply is made to it, then the hon. gentleman is personally attacked. I was commending the hon. gentleman for the attention he was giving to the interests of his constituents, and was in fact pointing out to him that in his absence he had found an advocate in the person of the hon. member for Halton (Mr. Henderson), but my hon. friend is ungrateful to him. He says I did not always speak the same voice as to-night. I have never otherwise expressed myself than as I have done to-night. It is true that a deputation from Toronto waited upon me two or three years ago and pressed this subject upon me. I held out no inducement to them at the time that I had any policy on the subject different from what I have laid down to-night. I pointed out to them on that occasion the advantages that the cities were enjoying over their country fellow-citizens outside the cities, and I gave them this hint : I said it had occurred to me that if the cities desired to have the rate on drop-letters reduced to one cent, the same as it is in places outside the cities, it would perhaps be reasonable that the cities should pay for the advantage, and I think so to-day.

Mr. CLARKE. Has the hon. gentleman worked that idea out, or has it lain dormant since ?

Sir WILLIAM MULOCK. I have not worked it out, but I dare say it would be possible to formulate a system by which we could keep track of the revenue collected in that way. It might be possible, but I fear it would be a very difficult task to keep an account of the volume of drop-letters posted in a city and to commute that in a certain sum payable by the city as a whole. That was the idea I suggested on that occasion, but as to saying that I had at any time favoured the reduction of the rate on drop-letters to that prevailing outside the cities, where the people do not enjoy the same advantages as in the cities, is an error ; I never so expressed myself, I never had such an idea.

Mr. CLARKE. At any rate, you have no idea of that kind now.

Sir WILLIAM MULOCK. I have not any idea of the kind now ; I do not think it is just ; I do not think the great cities would press for such an unjust measure. They enjoy great advantages.

Mr. LAVELL. I do not want to enter into a discussion as to which of these rates should be lowered, but the minister a short time ago referred to the increased postage on books, and said that the revenue derived from that source would be trifling. I am aware that it is difficult for the minister or the officers of his department to find out just what that revenue is, but I cannot help thinking that if he had looked into the matter he would have found that the increase is so large as to amount to a very heavy tax.

Mr. CLARKE. Enormous.

Mr. LAVELL. It is not a matter in regard to which I have made inquiries outside my own business, but even in the business with which I am connected it makes a difference of several hundred dollars a year, and I would like to mention that. I am not complaining, as we are getting it out of our customers, but it amounts to several hundred dollars a year, and I know it has increased our postal rate by between 30 and 35 per cent.

Sir WILLIAM MULOCK. What class of books ?

Mr. LAVELL. Catalogues and books of that kind. I presume every manufacturing house in the country will have a somewhat similar experience, and I mention it now to call the attention of the minister to it, because I cannot help thinking he is in error in believing that the amount is trivial. If it amounts to several hundred dollars in a comparatively small business, I think that

in the larger businesses it must amount to a very large sum indeed. As I said, I do not know that it is a cause of complaint. I have never felt inclined to complain myself, as we charge it up to expense and add it to the price of the goods, but if there is a revenue sufficient to justify a reduction in the postal rates, it seems to me it would be relieving a large number of people of rather a heavy tax if he could see his way clear to reduce the book rate to the old rate. The minister has said that the change was undoubtedly made because of the desire to bring the rate for the carriage of books and similar matter into fair proportion of the cost to the department of that carriage. That is what I understood the minister to say. I may say then that our experience has been that the book rate now is so high on catalogues and such matter that wherever we can send by the express company to within a good many hundreds of miles, it pays us to send by express. It is materially cheaper to send by express than by post, simply because the express companies have a special rate of 15 cents on such classes of goods, and 15 cents will carry a greater weight of catalogues by express than by postage. I mention that as a matter of information; it is not a matter that I feel inclined to criticise one way or another. It is an open question as to whether the rates should be reduced, but I think that the amount of revenue is not trifling.

Mr. MACLEAN. If the Postmaster General has any excess of revenue to expend on improving the service, my idea is to expend it in improving the parcel post system. We in Canada have a parcel post system somewhat better than that in the United States, but not to be compared with the parcel post systems in Europe, especially in Germany, Hungary and Great Britain. They have a much improved parcel post system there; their rates are simply fractional as compared with ours.

Mr. CLARKE. Have our parcel post rates been increased?

Mr. MACLEAN. I do not know that they have been increased. The size of parcels has not been increased and the facilities offered to the public have not been increased, for the reason, I believe, that prevents these benefits from being conferred upon the people in the United States, and that is that the express companies in the United States are so powerful that they have prevented the extension of the parcel postal system in that country as I believe they have prevented it in this country. The business men of Canada would like us to use the parcel post system and they want the rates reduced and the size of the parcels increased. This has taken place in Europe. It has stimulated trade in every branch there and certainly we could bring about the same results here. Another way in which the post office could facilitate trade would be to still further simplify the transmission of small amounts of money whether by postal notes or otherwise. We are making progress in that direction but in no way is our system for the carriage of small sums of money and parcels to be compared with the facilities in those directions afforded in Europe. The facilities afforded in Europe in that regard have stimulated trade in every direction and have enabled small tradesmen and people who wish to market their own products to get the best price possible for them. If the hon. the Postmaster General has any surplus and if he wishes to serve the Canadian people I would recommend to him that he study particularly the system of these European countries and use the money at his disposal in carrying it out as far as possible.

Mr. CLARKE. What is the difference in the price of postal orders here and in the old country?

Mr. MACLEAN. The price in the old country is only a fraction of what we pay here.

Sir WILLIAM MULOCK. For what?

Mr. MACLEAN. Postal notes, and parcel post rates.

Sir WILLIAM MULOCK. No.

Mr. MACLEAN. I can give the hon. gentleman some instances of it. I would also suggest to the hon. gentleman that he might greatly simplify the law. The law might be greatly simplified if we improved the parcel post system in this country. It is well worthy of consideration and that is in line with a matter that I have brought up before in this House in regard to express companies. They are too powerful. They have too much influence. They fight against any extension of the parcel post system and they are trying to keep up the rates. Let the Post Office Department in this country have the courage of the Post Office Department of Great Britain, Germany and Austria and greatly improve the parcel postal system. In that way the hon. Postmaster General can do a great deal for the people and greatly simplify the present system.

Mr. ARMSTRONG. I would like to ask the hon. Postmaster General if he has looked into the question of the rural delivery system which has been quite a success on the other side.

Sir WILLIAM MULOCK. Perhaps the committee will allow my hon. friend the Minister of Finance (Mr. Fielding) to intervene with a matter that he desires to bring to the attention of the House and then we can resume.

Mr. CLARKE. The hon. Postmaster General can answer the question of my hon. friend from East Lambton (Mr. Armstrong) later.

Sir WILLIAM MULOCK. Yes, in a few minutes.

Hon. W. S. FIELDING (Minister of Finance). I would be obliged if the committee would agree to suspend proceedings in supply for a few minutes in order that I may be permitted, with the Speaker in the chair, to place some papers on the table of the House with the understanding that we may return to the committee immediately after the explanation which I may be able to give to the House. I beg to move that the committee rise, report progress and ask leave to sit again this day.

Some resolutions reported.

MESSAGE FROM THE GOVERNOR GENERAL—SUPPLEMENTARY ESTIMATES.

The Hon. W. S. FIELDING (Minister of Finance) delivered a Message from His Excellency the Governor General.

Mr. SPEAKER read the Message as follows :

MINTO :

The Governor in Council transmits to the House of Commons further supplementary estimates of sums required for the service of the Dominion for the year ending 30th June, 1904, and in accordance with the provisions of the British North America Act, 1867, the Governor General recommends these estimates to the House of Commons.

Government House,
Ottawa, 28th June, 1904.

Mr. FIELDING moved that the Message of His Excellency and the estimates be referred to the Committee of Supply.

Motion agreed to.

WAYS AND MEANS—THE TARIFF.

Mr. FIELDING. If the House will permit me without a formal motion I would avail myself of the opportunity of placing on the table of the House some changes which we desire to make in the tariff resolutions as follows :

1. Resolved, That it is expedient to amend 'The Customs Tariff, 1897,' to the following effect :—

That the following provision be substituted for subsection (f) of section 1 of the said Act :

(f) The expression 'gauge,' when applied to metal sheets or plates or to wire, means the thickness as determined by the 'Imperial Standard gauge.'

2. Resolved, that whenever it shall appear to the satisfaction of the Minister of Customs or of any officer of customs authorized to collect customs duties, that the export price or the actual selling price to the importer in Canada of any imported dutiable article, of a class or kind made or produced in Canada, is less than the fair market value thereof (as determined according to the basis of value for duty provided in the Customs Act in respect of imported goods subject to an ad valorem duty), such article shall, in addition to the duty otherwise established, be subject to a special duty of customs equal to the difference between such fair market value and said selling price ; provided, however, that the special customs duty on any article shall not exceed one-half of the customs duty otherwise established in respect of the article, except in regard to the articles mentioned in items 224, 226, 228 and 231 of schedule A, the special duty of customs on which shall not exceed fifteen per cent ad valorem, nor more than the difference between the selling price and the fair market value of the article as aforesaid.

The expression 'export price or 'selling price' herein shall be held to mean and include the exporter's price for the goods, exclusive of all charges thereon after their shipment from the place whence exported directly to Canada.

The foregoing provisions respecting a special duty of customs shall apply to imported round rolled wire rods not over three-eighths of an inch in diameter, notwithstanding that such rods are on the customs free list; provided, however, that the special duty of customs on such wire rods shall not exceed fifteen per cent ad valorem.

If at any time it shall appear to the satisfaction of the Governor in Council, on a report from the Minister of Customs, that the payment of the special duty herein provided for is being evaded by the shipment of goods on consignment without sale prior to such shipment, or otherwise, the Governor in Council may in any case or class of cases authorize such action as is deemed necessary to collect on such goods or any of them the same special duty as if the goods had been sold to an importer in Canada prior to their shipment to Canada.

If the full amount of any special duty of customs be not paid on goods imported, the customs entry thereof shall be amended and the deficiency paid upon the demand of the collector of customs.

The Minister of Customs may make such regulations as are deemed necessary for carrying out the provisions of the foregoing sections and for the enforcement thereof.

Such regulations may also provide for the temporary exemption from special duty of any article or class of articles, when it is established to the satisfaction of the Minister of Customs that such articles are not made in Canada in substantial quantities and offered for sale to all purchasers on equal terms.

The special duty aforementioned shall not apply to goods of a class subject to excise duty in Canada.

3. Resolved that in schedule A the words 'common and colourless window glass,' and in item 201, and the words 'pails and tubs of wood' in item 330, shall be omitted and that items 22, 151, 170, 171, 172, 173, 175, 178 and 20 of schedule A shall be repealed, and the following provisions added to schedule A, viz. :—

After item 7 (a) : Provided that bottles, flasks and packages of gin, rum, whisky and brandy of all kinds, and imitations thereof shall be held to contain the following quantities (subject to the provisions for addition or deduction in respect to the degree of strength), viz. :—

Bottles, flasks and packages containing not more than three-fourths of a gallon, per dozen, as three-fourths of a gallon per dozen;

Bottles, flasks and packages containing more than three-fourths of a gallon, but not more

than one gallon per dozen, as one gallon per dozen ;,

Bottles, flasks and packages containing more than one gallon, but not more than one and one-half gallons, per dozen, as one and one-half gallons per dozen ;

Bottles, flasks and packages containing more than one and one-half gallons, but not more than two gallons per dozen, as two gallons per dozen ;

Bottles, flasks and packages containing more than two gallons, but not more than two and four-fifths gallons per dozen, as two and four-fifths gallons per dozen ;

Bottles, flasks and packages containing more than two and four-fifths gallons, but not more than three gallons per dozen, as three gallons per dozen ;

Bottles, flasks and packages containing more than three gallons, but not more than three and one-fifth gallons per dozen, as three and one-fifth gallons per dozen.

22. Paraffine wax candles, 25 per cent ad valorem.

151. Paraffine wax, 25 per cent ad valorem.

170. Illuminating oils, composed wholly or in part of the products of petroleum, coal, shale or lignite, costing more than thirty cents per gallon, 20 per cent ad valorem.

171. Lubricating oils, composed wholly or in part of petroleum, costing less than 25 cents per gallon, 2½ cents per gallon.

172. Crude petroleum, gas oils (other than naphtha, benzine and gasoline), lighter than ·8235 but not less than ·775 specific gravity, at 60 degrees temperature, 1½ cents per gallon.

173. Oils, coal and kerosene distilled, purified or refined, naphtha and petroleum, and products of petroleum, n.e.s., 2½ cents per gallon.

175. Lubricating oils, n.e.s., and axle grease 20 per cent ad valorem.

178. Vaseline and all similar preparations of petroleum for toilet, medicinal or other purposes, 25 per cent ad valorem.

201 (a). Common and colourless window glass, 15 per cent ad valorem.

203. Plate glass not bevelled, in sheets or panes not exceeding seven square feet each, n.o.p., 10 per cent ad valorem.

203 (a). Plate glass not bevelled, in sheets or panes exceeding seven square feet each and not exceeding twenty-five square feet each, n.o.p., 25 per cent ad valorem.

After item 323 : provided that for duty purposes the minimum value of an open buggy shall be forty dollars, and the minimum value of a covered buggy shall be fifty dollars.

368 (a). Silk fabrics when imported by manufacturers of neckties for use exclusively in the manufacture of neckties in their own factories, under regulations to be made by the Minister of Customs, 10 per cent ad valorem.

447 (a). Artificial teeth, until April 1, 1905, 10 per cent ad valorem.

Notwithstanding anything contained in schedule D, the maximum duty on the undermentioned articles when imported under the British Preferential Tariff shall be as follows :

185 (a). Tableware of china, porcelain or other white clay, 15 per cent ad valorem.

201 (b). Common and colourless window glass, 7½ per cent ad valorem.

Notwithstanding anything contained in schedule D, the minimum duty on the undermentioned articles when imported under the British Preferential Tariff shall be as follows :

394 (a). Manufacturers as described in item 394 of schedule A (excepting blankets, flannels, bed comforters and counterpanes) composed wholly or in part of wool, worsted, the hair of the Alpaca goat or other like animal, 30 per cent ad valorem.

431 (a). Twine and cordage of all kinds, n.e.s., 20 per cent ad valorem.

4. Resolved, that in schedule B, item 46 shall be repealed and all the words in item 608 after the words 'United Kingdom' in the third line, shall be struck out, and that the following articles shall be added to the free list (schedule B) :—

462. Philosophical and scientific apparatus, utensils, instruments, and preparations, including boxes and bottles containing the same, of a class or kind not manufactured in Canada, when specially imported in good faith for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use or by order of any college, academy, school, or seminary of learning in Canada, and not for sale, subject to such regulations as the Minister of Customs shall prescribe.

555 (a). Machinery of every kind and structural iron and steel, when imported under regulations to be made by the Minister of Customs, for use in the construction and equipment of factories for the manufacture of sugar from beet root, until the first day of April, 1905.

555 (c). Machinery and appliances of a kind not made in Canada for use exclusively in alluvial gold mining, until July 1, 1905 ;

Artificial teeth, after 31st March, 1905 ;,

Crude petroleum, fuel and gas oils, ·8235 specific gravity or heavier at 60° temperature ;

Ferment cultures, to be used in butter making ;

Glass cut to size for manufacture of dry plates for photographic purposes, when imported by the manufacturers of such dry plates for use exclusively in the manufacture thereof in their own factories :

Goats for the improvement of stock, under such regulations as may be made by the Minister of Customs ;

Hydro-fluo-silicic acid ;

Machinery of a class or kind not made in Canada for the manufacture of linen ;

Machinery of a class or kind not made in Canada for the manufacture of brass goods such as are mentioned in item 492, schedule B ;

Molasses, the produce of any British country entitled to the benefits of the British preferential tariff, when produced from sugar-cane and imported direct by vessel from the country of production in the original package in which it was placed at the point of production and not afterwards subjected to any process of treating or mixing ; the package also to be free : provided, however, that this shall not apply to molasses to be used for the purpose of distillation ;

Plain basic photographic paper, baryta coated, when imported by manufacturers of sensitized paper for use exclusively in manufacturing albumenized or sensitized photographic paper in their own factories ;

Printing presses, rotary, of a class or kind not made in Canada ;

Quassia juice ;

Well drilling machinery and apparatus of a class or kind not made in Canada for drilling for water and oil, not to include motive power ;

Whale oil soap.

5. Resolved, that schedule C (prohibited goods) shall be amended by adding the following :—

642. Stallions and mares of less value than fifty dollars each.

6. Resolved, that the foregoing provisions shall be held to have come into force on the 8th day of June, 1904, and to have applied to all goods imported or taken out of warehouse for consumption on and after that day, and to have also applied to goods previously imported for which no entry for consumption was made before that day, except as otherwise provided in the foregoing resolutions : Provided, that all goods actually purchased on or before the 7th day of June, 1904, at any place out of Canada, for importation into Canada, on evidence to the satisfaction of the Minister of Customs of the purchase having been so made, and all goods in warehouse in Canada on such day, may be entered for duty at the rate of duty in force immediately before the said day (without special duty), notwithstanding any increase in customs duties under the said resolutions, but this proviso shall cease to have force and effect after the thirty-first day of August in the present year.

I might, of course, simply have placed the amended resolutions on the notice paper but I thought the House would prefer that I should call attention to several points in regard to which changes are to be made. In most respects these changes are in form rather than in substance, and do not affect the rates of duty, but there are one or two items of some importance and I will crave the indulgence of the House for a brief space while I call attention to the facts, so that hon. gentlemen who may be interested particularly in any of these may understand them at once without having to read through the resolutions. I desire to introduce into the resolution a clause dealing with the gauge which determines the classification of metal plates and wire. Hitherto the Customs Department have used what is called Stubb's Gauge and it is proposed to use what is known as the Imperial Standard Gauge, which I am advised is better adapted to the purposes of the department. In what is commonly called the dumping clause, it is proposed to insert words which will empower the Minister of Customs in his regulations to make a temporary exemption as respects the operation of that clause in cases where the goods referred to are not manufactured in Canada in large quantity and in open competition. It would be possible that an article might be made in Canada to a very small extent, or it would perhaps be in the hands of some one producer and not open to the trade. It is felt that if such a condition should arise it might not be a proper case for the application of the dumping clause. The amendment will therefore provide that the Minister of Customs may, in his regulations, temporarily exempt from the operation of the special duty—that is the technical phrase I use, or the dumping clause—articles of a class where the minister is satisfied that the articles are not made in Canada in a substantially large quantity and open to sale on even terms to all applicants. Though an article may be made in Canada ordinarily exceptional circumstances may arise such as a strike which would stop the manufacture in Canada and in that case the Minister of Customs ought to have some discretion to meet a condition that might arise. That is the object of the amendment. In the resolutions as laid on the table reference is made to the computation of the duties as respects spirits in flasks and bottles. This is rather a matter of customs regulation than anything else, and that clause to which I refer is being enlarged in the amended resolution. It does not however affect the rates of duty. In the duties on coal oil a change is made in the phraseology but no change in the rates of duty. In the case of window glass we made provision in the resolutions as tabled that British window glass should be reduced to 7½ per cent. We made no reduction in the duty on window glass from other countries. It has been represented to us that the British window glass trade is in the hands of a very few people, indeed, that the export trade is practically in the hands of one concern, and that their methods of sale are such as to debar the general trade from that free competition on which is desirable.

It has been represented that in order to allow the trade in Canada a reasonable opportunity to benefit by competition in their purchases, we should make at the same time some reduction in the foreign glass. While retaining the duty of seven and a half per cent as stated in the resolution on British window glass, we propose therefore to reduce the duty on the foreign glass from 20 per cent to 15 per cent. The net result will be that foreign window glass will stand at 15 per cent and British window glass at 7½ per cent. The proportion of British preference will in that case be 50 per cent hereafter, instead of 33⅓ per cent as in the tariff for some years past.

We have an item for :

Silk fabrics to be used exclusively in the manufacture of men's neckware.

After very careful consideration we have come to the conclusion to alter the form of that, so that the privilege of the reduced duties should apply not strictly to men's neckwear, but to the manufacture of neckties, using the word 'neckties' instead of 'neckwear,' and not confining it to men's neckties. It will apply to the manufacture of all neckties whether they be used for men's wear or for women's wear.

We have an item respecting the duty on artificial teeth which was the cause of some humorous observations. Perhaps hon. gentlemen will be surprised to know that it is an item which created a great deal of interest, and much importance is attached to it. We have reached the conclusion that the placing of artificial teeth on the free list should be deferred to a date to be mentioned, and the date we fix is the 1st day of April next. In the interim we propose to reduce the duty from 20 per cent to 10 per cent. It is represented to us that there are very large stocks of artificial teeth held in Canada, and indeed it is somewhat surprising to know the extent to which this is the case. We knew it was a considerable item, but it is even larger than we anticipated and it is represented that the sudden placing of artificial teeth on the free list would have a very disturbing and unfair influence on merchants who hold large stocks. We therefore propose to bring about the change gradually, while adhering to the essence of the policy. There is another item which reads :

Table ware of porcelain, china, or other clay.

For the purpose of more clearly defining it, we insert the word 'white' so that it will read :

Table ware of china, porcelain or other white clay.

This will prevent confusing the item with some others which were not intended.

There is a provision in the tariff of a year ago for the admission free of duty of machinery for the manufacture of sugar from beet root. That provision has expired, and we propose to renew it for the term of another year up to April next.

In the item of 'molasses,' which is placed on the free list when imported from countries entitled to the British preference, we wish to insert words which will stipulate that it must be a direct importation. The object of the government is to guard against molasses being landed abroad and mixed with other ingredients which people in the trade assure us is a practice which we ought very carefully to guard against.

We have placed on the free list the item of printing presses, and it has been deemed desirable that that should be more clearly defined. We propose that the item shall read :

Printing presses, rotary.

This will make it clear that other classes of printing presses which we did not contemplate, shall not be included in the item, and are not transferred to the free list.

There is one other matter which is of importance, and that is the date on which these various changes in the way of increased duties shall take effect. As a rule, under the practice in Canada, whenever the budget speech is delivered such changes of tariff as may be made take effect at once ; and as the resolution now stands without any qualification, that would be the result. However, there are precedents for taking a different course. Some years ago, for good reasons no doubt, the operation of the new resolutions was delayed for a period, and in the case of the German surtax we adopted the same policy. Following these precedents, we now propose to provide : that in the case of all goods actually ordered before the date of the budget—and confining it entirely to goods so actually ordered—if they be entered in Canada on or before the last day of August next, they shall be admitted under the old rate of duty, and the new rate of duty shall only apply to cases in which the goods have not been ordered as provided. The reason for this is, that it has been represented that in some lines, notably woollen goods, large quantities were sold in advance at fixed prices on the basis of the existing duties. The goods in some cases were on their way and the orders could not be cancelled. After very careful consideration, we have come to the conclusion that no injury will be done the woollen industry, for which the benefit was intended, because the goods are ordered and have to come in any how. The only question is whether we should exact the higher duty. After full consideration we believe that in the case of all duties which have been increased by these resolutions—this will apply to the special duty as well as to the various items which are set forth—where the goods have been actually ordered on or before the 7th day of June, they shall come in at the old rate, provided they are entered in Canada on or before the last day of August. These, Mr. Speaker, are all the changes. The Votes and Proceedings will contain all the resolutions in their amended form, but, gentlemen who have read the resolutions as previously submitted, if they read them now in conjunction with this explanation, will be able to determine exactly the nature and purpose of the changes. In most cases the changes are very trivial, but as regards the date on which the increased duties take effect, that is an important change, and I desired this opportunity to make it known amongst the trade all over the country which has been so anxious for a definite announcement upon the subject. I am obliged to the House for having kindly consented to allow me to put the matter in this form. There will be in connection with this, some necessary amendments to the Customs Act. The tariff is dealt with by an Act called the Customs Tariff, 1897 ; apart from that there is the Customs Act which deals with the general management of the Customs Department. The Minister of Customs will have to make some amendments to that Act. My hon. friend will give notice of these amendments, but they are not of

sufficient importance to justify me in detaining the House at this moment.

Mr. J. E. ARMSTRONG. May I say a few words with reference to the industry in which I am particularly interested. I am sure it is not the intention of the Minister of Finance to do any particular damage to the oil industry. Though I do not believe in the bounty system, yet as that has been decided upon I would like to call the attention of the minister to a few remarks I have to make with reference to the necessity of putting on a greater bounty than the minister proposes. As I said on a former occasion, the crude oil which comes from the Ohio fields is of a superior quality to ours. I have worked out 100 gallons of the imported crude oil through a refinery, and the result is that I got $1.03 in value more from Ohio oil than from 100 gallons of our own oil, showing it to be worth about one cent a gallon more than our oil, or say 35 cents per barrel. The oil is sold in Ohio at $1.08 per barrel, to which if you add the transportation charges for delivery at Sarnia of 23 cents it will make $1.31. If you add the 52 cents bounty as suggested, that comes to $1.83. At the time this change was made the difference between $1.83 and $2.09, left the balance in favour of the Ohio oil as compared with our own oil of 26 cents per barrel. Add to that 26 cents per barrel the 35 cents I referred to a moment ago being the extra value of the Ohio crude, and that makes a total preference for the Ohio oil of 61 cents per barrel. I beg to call the attention of the Minister of Finance to the fact, that not only is that giving an advantage of 61 cents to the Ohio oil, but it must be remembered that in Essex, Kent, Lambton and Elgin counties, the oil is gathered at a considerable distance from the Standard refinery, and that it costs a good deal to deliver it in the Standard tanks. Previous to this I have computed the values as if our oil were delivered in the Standard tanks at Sarnia. I have made a calculation with reference to the cost of gathering the oil in the Pretolea field and delivering it to the Standard refinery seventeen miles distant, and I have come to the conclusion that this costs ten cents per barrel. Therefore, as between the Ohio oil and our own oil it makes a difference against us of 71 cents per barrel. To the people in the outside districts, such as Bothwell, Dutton and the other oil fields from which the oil has to be sent to Sarnia by train it is a more serious matter, and I feel like drawing the attention of the Finance Minister to the importance of giving the producers of Canada sufficient protection against Ohio crude.

Mr. BIRKETT. I desire to ask the Minister of Finance if there will be a rebate of duty allowed on goods which have been passed through the customs since the 7th of June, and on which the higher duty has been paid ?

Mr. FIELDING. Yes, if there be evidence that the goods were ordered prior to that date, as of course they would have been, or I presume they would not be delivered. The goods actually ordered before the date of the 8th of June and entered before the end of August will not be subject to the higher duties, and if the duties in the meantime have been paid, they will be entitled to a rebate.

Mr. BIRKETT. Then, I would like to point out how difficult it is going to be to carry out the anti-dumping clause. I have received four circulars from manufacturers in the United States intimating that they would invoice goods into Canada at American prices, and would pay to Canadian dealers the same salary for handling their goods that they pay to American dealers. That will defeat the anti-dumping clause altogether.

Mr. FIELDING. This is not the time for debating that question. All I can say is that I have no doubt the Minister of Customs will find the means of meeting a case of that kind. We shall be only too glad to have such cases brought to our notice in order that we may look into them.

Mr. BIRKETT. As an importer, I would like to know what would be the effect, provided we import goods at United States prices. Can they be passed through our customs at those prices when the manufacturer pays the importer a salary for disposing of the goods ?

Mr. FIELDING. I am afraid I cannot answer that question. In the administration of the customs laws a great many questions of that kind are brought up, and have to be dealt with as they arise from time to time.

Mr. HAGGART. Another question I would like to ask the Finance Minister. In the case of articles which formerly paid a duty, but are now imported free, on what date will they be entitled to come in free ? In other words, when does the law take effect—on the 7th or the 8th of June ?

Mr. FIELDING. I am afraid I had better not answer my hon. friend lest I get into trouble. We shall have all these questions discussed in due course.

Mr. HENDERSON. I beg to ask an easy question. Perhaps the hon. minister can tell us on what day he will take up these resolutions. Will he take them up this week or next week ?

Mr. FIELDING. I can give my hon. friend the assurance that they will not be taken up this week. They will come into

effect at once, and therefore I desire to make the announcement now; but the discussion will take place later.

Mr. HENDERSON. It makes no difference to me when they take effect. I want simply to know when we shall have an opportunity of discussing them, so that I may be present.

Mr. GOURLEY. All this quibbling about the tariff shows the bad policy Canada is pursuing. I have no doubt those people in the United States will find the most ample opportunity of defeating the clause in the tariff that is proposed. My hon. friend the Finance Minister says the Minister of Customs will look after that. I have not the same faith in the Minister of Customs; I think we shall have to have a new Minister of Customs if he is to possess ingenuity enough to prevent those people cheating the revenue of Canada. What we want in Canada is a tariff of the same height as the American tariff. Then there will be no question of quibbling with the tariff such as we have had to-night. For my part, I stand here as a maritime province man. Formerly the people of the maritime provinces were supposed to be in favour of free commercial relations with the United States. I stand here to say that the maritime provinces do not want any relations whatever with the United States. What we want is a high tariff to exclude the manufacturers of the United States from this country. In the county of Colchester we have a great iron industry and the great complaint of the people connected with that industry is that $30,000,000 of manufactured iron comes into this country. We are prevented from building up our own industries because hon. gentlemen opposite, while professing to protect them, are allowing $30,000,000 of iron goods to come into this country and are offering these people a bonus. The bonus is only applicable to one or two lines of manufactured materials. Unfortunately they went to those parties in Cape Breton who are now face to face with financial embarrassment. The hon. gentlemen are killing their friends as well as their enemies—thank God.

DOCUMENTS WITHHELD FROM PARLIAMENT.

Mr. HAGGART. Mr. Speaker, before you leave the chair, I wish to give notice that to-morrow, on the motion for the House to go into Committee of Supply, I will move this resolution:

This House regrets that the government has seen fit to withhold from parliament documents of a public character to which parliament was entitled for the proper consideration of matters to which such documents relate.

Mr. FIELDING.

SUPPLY.

House in Committee of Supply.

Post Office—Outside service—Mail service, $2,561,700.

Sir WILLIAM MULOCK. Before the committee rose an hon. member referred to the transmission of money by post in Great Britain. He mentioned that the parcel rate in Canada was greater than the parcel rate in European countries. That may be the case, but the distances in Canada are very much greater. It would be impossible, with any regard to business, to carry parcels throughout Canada at the same rate that is charged in Great Britain. I suppose they are carried in Canada ten times the distance that they are in Great Britain. With reference to the rates on postal notes and the development of the postal note system, I have made a little comparison and I think it will be found that we are quite as reasonable in Canada as they are in England. The rate charged in England on a postal note up to 1s. 6d., is a half-penny. In Canada the charge is one-half penny or a cent up to forty cents. In England the rate charged on a postal note from one shilling and six pence up to ten and six pence is a penny or two cents. In Canada the rate is two cents from fifty cents to two dollars and a half. In England the rate on postal notes exceeding ten and six and going up to twenty shillings is one and a half penny or three cents. In Canada it is three cents on a sum from three to five dollars. In England the postal note system stops at one pound, but in Canada we have got beyond that limit and our postal notes are issued for amounts as high as ten dollars, on which the rate is five cents. I do not think that the comparison of rates is to our disadvantage.

Mr. MACLEAN. What I pointed out was that especially in Germany and Austria, they have even a cheaper rate for postal notes than we have. As regards the postal parcel post system, the hon. gentleman might divide the country into zones, or if he cannot do that, some other means might be provided. But as a matter of fact, he is carrying parcels from the English parcel post system to any place in Canada for the rate that obtains in England, and he does this because of the postal convention. So that while he may object to doing that in connection with parcels originating in Canada, he must do it for parcels originating in Great Britain. In that way the English parcel post system applies in Canada to packages coming from England, and it is much cheaper than what we charge here and the parcels are much larger.

Sir WILLIAM MULOCK. No.

Mr. MACLEAN. I think they give you larger weight in England than here. I am

not complaining of the present system and willingly give the hon. gentleman credit for the improvement in the postal note service; but if there is a department in connection with the Post Office service which is subject to improvement, it is, as far as I can gather from business men, the parcel post and postal note system.

Mr. BLAIN. I would like the hon. minister to answer this question. In 1890 the number of post offices in Canada was 7,930 and in 1896 that number had increased to 9,103, being an increase of 1,190 in the six years. From 1896 to 1902 the increase was 855 or 335 less than in the previous six years. Would the hon. gentleman explain how that comes about ?

Sir WILLIAM MULOCK. I do not wish to make any reflection, but post offices were opened with very great liberality in days gone by, and a considerable number of them became closed through lack of business. But the post offices in existence to-day are all live, working offices, and there is far more business being done in those in existence to-day than there was in the greater comparative number in existence when we took office. The country is not being starved for lack of post offices. My daily task is to open up new post offices, and the case has to be a pretty bad one which does not appeal to me favourably. I think there will be found in the records very few applications for a post office, recommended by the inspector, which have not been granted. In the year now closing, we have opened 310 new post offices throughout the Dominion and there are 83 now authorized but not yet opened.

Mr. BLAIN. In what part of Canada ?

Sir WILLIAM MULOCK. My hon. friend is probably aware that every application for a post office is referred to the inspector of the district, who makes a report describing the neighbourhood, the number of people to be served, the distance from another post office, the estimated cost, &c. In most cases the inspector gives his views and recommends whether or not the post office should be opened. I doubt whether during the current year five applications have been refused, which have been recommended by the inspectors. These new offices have been opened chiefly in the Territories, particularly in Saskatchewan. I recognize the importance of giving postal facilities to the settlers. When a man comes out to settle in this country and finds himself distant from railway communication, it is very important that he should be provided with postal facilities, and we have been very liberal, but not too much so, in providing such facilities.

Mr. MACLEAN. Is the hon. gentleman prepared to tell us whether he has made any progress in nationalizing the telegraph and telephone system in connection with his department ?

Sir WILLIAM MULOCK. That is a large question and I would like my hon. friend to ask me an easier one. I cannot say that I have made any great progress in the way of having anything to offer to parliament, but I hope that the educational movement is going on. I would hail with great pleasure the time when the telephone system would be taken under the wing of the government. My own opinion is in favour of some such course. I stated a year ago that I had been studying the subject, and so I have been.

Mr. CLARKE. Are you still studying it?

Sir WILLIAM MULOCK. I cannot say that I am at this moment. I have formed some views and have some figures, but I am not in a position now to give them to the House. I trust however the time will come when I shall be free to do so.

Mr. BELL. I would ask for information from the Postmaster General with reference to mail contracts, and I will introduce the subject now so that he may make the necessary inquiries. I refer to the mail between River John and the post office, and between River John and Hodson. I would like to know who the mail carrier is, what he is receiving, and whether the contract was let after tenders called for or by private arrangement. For the item respecting the River John and the railway station I would refer him to page B—78 of his report, and for the other to B—71.

Sir WILLIAM MULOCK. As to the former, the name given here is W. Gammon.

Mr. BELL. I think he has been replaced.

Sir WILLIAM MULOCK. I will ascertain that point and also the others the hon. gentleman wished information about. The remuneration in the case I have just referred to appears to be $58 a year. The Act allows the Postmaster General, where the remuneration for carrying the mail is less than $200, to make a contract without calling for tenders. Probably in so small a matter tenders would not be called for. But I will get the information for my hon. friend.

Mr. BELL. When ?

Sir WILLIAM MULOCK. To-morrow, if he will remind me.

Mr. INGRAM. I desire to ask a question with regard to the St. Thomas post office. The deputy postmaster there died some two weeks ago. What progress is the hon. minister making with respect to filling that position ?

Sir WILLIAM MULOCK. I am sorry to say that the assistant postmaster of St.

Thomas died a few days ago. I hope to be able to fill the place by promotion from that office.

Mr. INGRAM. I would like to say also that in my opinion the staff is not adequate for the business of the office. It should be increased.

Sir WILLIAM MULOCK. That may follow. But I thought the hon. gentleman (Mr. Ingram) was particularly concerned to know who was to be given this particular position. As to that, I will look into the staff and if there is one among them whom it would be proper to promote to the assistant postmastership, I would rather fill the office in that way. It may be necessary also to add to the staff.

Mr. INGRAM. During the summer months the clerks in the office take their holidays, and the effect of that is to leave them one clerk short for some months. I think the Postmaster General should give this matter his serious attention, and provide an ample staff for the requirements of the office.

Mr. LEFURGEY. I had occasion last year to call the attention of the Postmaster General to the unfair treatment meted out to Charlottetown in the matter of free mail delivery. While smaller towns throughout Ontario were having the benefit of delivery by letter-carriers, Charlottetown was denied that advantage. I think that when this matter was before the committee last year the Postmaster General gave us the assurance that he would take the matter up and favourably consider it. I would like to know if he has made any progress in that matter.

Sir WILLIAM MULOCK. I do not know to what towns in Ontario the hon. gentleman (Mr. Lefurgey) refers.

Mr. LEFURGEY. We had them up last year. I cannot call them off now, but no question was raised about it then.

Sir WILLIAM MULOCK. I am afraid that our friends from Ontario would rather take issue with the hon. gentleman (Mr. Lefurgey) on that point. There is no town in Ontario as small as that of Charlottetown that enjoys free delivery. The towns that have the benefit of that system now are Ottawa, Kingston, Toronto, Hamilton, Brantford and London. I think that, on reference to the postal returns, the hon. gentleman will find that every one of these places has a revenue larger than that of Charlottetown. Speaking from memory, the revenue from Charlottetown does not exceed $19,000, while I think that the revenue from Brantford is nearly $35,000. Probably the next revenue is that of Kingston, but it is some thousands in excess of Charlottetown. However, Charlottetown is growing and the place is improving, and I agree with my hon. friend (Mr. Lefurgey) in the hope that it will continue to make rapid progress until its claims for free delivery will be unanswerable.

Mr. LEFURGEY. That is very plausible talk, but not just what we want. We want free delivery. When I brought this matter up last year the hon. Postmaster General seemed to be favourably impressed with the claims of Charlottetown for free delivery. I cannot recall the names of places brought to his attention that had a smaller population than Charlottetown and yet enjoyed this free delivery system. This system should not be given on the basis of revenue only; population should be considered. Where you have the people you are bound to give the service. And, as the coffers of the hon. minister are, apparently overflowing, I think he could fairly do justice to places of the population of Charlottetown.

Sir WILLIAM MULOCK. What is its population?

Mr. LEFURGEY. Upwards of from 12,000 to 15,000 people, and growing, growing all the time.

Sir WILLIAM MULOCK. That is always a good sign.

Mr. LEFURGEY. Joking aside, the people down there I think deserve a free delivery by letter-carriers, and a great deal better treatment than they are getting at the present time. I would like to know from the minister if the post office inspector for the island has been appointed and if so, what salary he is getting. Is the arrangement the same as with the old inspector?

Sir WILLIAM MULOCK. Yes. Mr. Weir was appointed in the place of the late postmaster and inspector, Mr. Brecken, at I think the same salary.

Mr. LEFURGEY. No changes were made in the office?

Sir WILLIAM MULOCK. No change in the duties or salary.

Mr. LEFURGEY. I would like to know from the Postmaster General if he had any petitions in regard to a daily service at lot 14 post office, and whether anything has been done for the people in that locality?

Sir WILLIAM MULOCK. I will make a note of my hon. friend's inquiry and give him the information to-morrow.

Mr. LEFURGEY. I would like also to inquire about a post office for North Enmore. This is a small village three or four miles from any post office, and have on two occasions made applications for a post office and promises have been made, possibly by the inspector of post offices, in Prince Edward Island but nothing has been done. There is quite a large settlement that should be served by a post office. I would like

also to know what arrangements were made for the carriage of mails from Cape Tormentine to Sackville, and if the contract has been carried out and payment made to the persons who had that contract. I asked a question some time ago about this, and the reply then was that no arrangement had been made with the people who were carrying the mails from Cape Tormentine to Sackville. I thought it was a very strange proceeding that a contract should have been entered into by the government whereby these people were to go ahead and carry the mails without any agreement at all. I would like to know what the arrangement was.

Sir WILLIAM MULOCK. Was that arrangement made during the winter season last year ?

Mr. LEFURGEY. Yes.

Sir WILLIAM MULOCK. There was I think some special difficulty in the service on account of ice.

Mr. LEFURGEY. I believe there was a block on the railway system.

Sir WILLIAM MULOCK. It is a special service growing out of the storm, is it not ?

Mr. LEFURGEY. I presume so, there is always some difficulty there about getting the mails across the strait.

Sir WILLIAM MULOCK. It has puzzled more than one person. I shall have all this information gathered up and shall give it to my hon. friend to-morrow.

Mr. MORIN. The Postmaster General said a while ago that post offices were granted on the recommendation of the inspector of post offices. Will the hon gentleman be kind enough to tell the committee what recommendation the Quebec inspector made with regard to the proposed post office at Detroit, in the county of Dorchester ? Has he recommended it or condemned it ?

Sir WILLIAM MULOCK. I think the hon. gentleman saw the report, he will remember, I do not know from memory.

Mr. MORIN. I did not see it.

Sir WILLIAM MULOCK. I shall examine the report and let the hon. gentleman know to-morrow.

Mr. MORIN. Thank you.

Mr. LAVELL. Some time ago I inquired about the post office at Wolford centre. I believe that the difficulty in connection with the office there is practically causing the post office to be closed. That would be a tremendous inconvenience to a body of farmers not now served by any other convenient office. I would ask the minister to look into that with the idea of restoring the service as it was. I think since 1896 there has been a better service, but on account of some change in mail carriage a proposal was made to change it to a twice-a-week service, which would produce an annual saving of $20.

Sir WILLIAM MULOCK. I think I remember having seen a report of the inspector on that matter. I think it is rather a tangled affair and that there are some differences of opinion on the subject among the people. I shall be glad to discuss the subject with my hon. friend to see whether it is possible to meet all interests.

Mr. LAVELL. There was some difficulty about a year or two ago, but I think they all recognize now what an inconvenience the closing of the office will mean, and they are absolutely united now in regard to seeing the post office kept open as it was.

Sir WILLIAM MULOCK. I shall go through the papers with my hon. friend and get the benefit of his advice.

Mr. ARMSTRONG. Might I ask the minister what has been done with reference to rural free delivery in our country. I am satisfied that the hon. gentleman is aware that rural free delivery in the United States is wonderfully successful. It has become so through continued efforts and I should like to know what has been done in this country.

Sir WILLIAM MULOCK. I do not know what my hon. friend means when he says that rural delivery in the United States has been successful. It may be that there is no difficulty in delivering the mail matter but there are more things than the mere delivery of mail matter required in order to make a system a success. The United States people were rather dragooned into the establishment of rural mail delivery and it has raised very serious problems in the United States. I venture to say that in the very near future there will be a feeling in the United States that they were rather rash in rushing into that system. In fact that feeling has already arisen. My own opinion is that Canada is not ripe for the establishment of rural mail delivery at the present time. It is only a few years since the United States entered that scheme.

Mr. CLARKE. How were the United States dragooned into this system ?

Sir WILLIAM MULOCK. It is only a few years since the United States started that system and now the expenditure has risen to about $12,000,000 and is going in the near future to be many times that amount. For some time the officers throughout the country engaged in working the system represented it as a huge success, and succeeded in having those views certified to in the official reports of the Postmaster General of the United States. I think that more

recent information has shown that there were many inaccuracies in the returns made to the Postmaster General of the United States and that the system has not been that success which those who were engaged in developing it and who profited by its development represented.

Nevertheless, it has acquired a footing to-day throughout the United States. Practically every candidate for congress pledges himself to get rural delivery in his constituency, and when the successful ones meet at Washington they are all engaged in demanding rural delivery. The unfortunate administration is evidently at its wits end to know what to do with this monster that has been raised up, and has apparently no way of controlling the thing. I believe that those who are concerned with the affairs of the government at Washington find a serious condition of affairs growing up in the United States in reference to rural delivery. Moreover, there is evidence that in many parts of the country it is not now as popular as it was originally. It sounds very taking to say that a man is going to have his mail brought to his farm gate, but when you come to work it out there is another side to the picture. For example, supposing a mail route commences half a mile from the village or town, goes ten miles into the country in one direction, crosses a concession, goes down in another direction and covers a distance of twenty-five miles. The courier commences at one end and terminates his journey at the other. He starts off at a reasonable hour, about the time that those who are nearest to the town could have gone to the post office and got their mail. Those at the commencement of the route are all right, but those situated farther along the route do not get their mail until perhaps late in the night. Many who go to the post office once or twice in the day or in the week, as the mails come in, find themselves inconvenienced when their letters are taken off by the courier, thus showing that the inconvenience to one man off-sets the advantage to another. The question of rural delivery in a country of the vast size of the United States is giving serious concern to the public men of that enormously wealthy country. Imagine the Post Office Department undertaking to serve the people of this young country, with an area equal to that of the United States, in the same way as is done in smaller countries, such as England and in Europe. Fancy the establishment of a rural delivery system within an area the size of all Europe. That is what is involved in proposing to adopt rural delivery in Canada, and the first step of the Postmaster General would be to ask the House to vote $5,000,000 or $10,000,000, perhaps not the first year, but in a very short time. The first year perhaps $1,000,000 or $2,000,000 would be sufficient, but it would go on so that in five years the Postmaster General would have to ask the House

to give $10,000,000 or $15,000,000 to establish rural delivery. Parliament would not be in favour of voting that sum of money. I doubt if the country could afford that amount of money. It might be that in a few years we would be called upon to vote an item of probably not less than $25,000,000. The figures are alarming and disturbing, and therefore I do not think the country is prepared to adopt this system at the present moment.

Mr. BELL. How much did the hon. gentleman say ?

Sir WILLIAM MULOCK. In a few years the cost might be $25,000,000.

Mr. CLARKE. What is the total vote now ?

Sir WILLIAM MULOCK. $4,500,000. I think the amount the United States congress voted last year was $12,000,000 and odd. To show you how they have miscalculated, their figures were based on the theory that a courier could be found to carry these mails on a route from 20 to 25 miles in length, supply his own horse and vehicle, and do it for $500 a year. Their figures are based on $500 to each man. The couriers said, after they got the system started, that they could not afford to carry on the system at that rate, and they wanted an increase. But they had to deal with a man who is even more hard-hearted than the Postmaster General of Canada, and they were denied the increase. Thereupon they undertook to supplement their salaries by carrying merchandise and doing an express and passenger traffic. Then persons engaged in the express and passenger traffic protested against this, and the authorities, in the endeavour to prevent the carriage of passengers and express parcels, granted the request of the couriers and raised their fees from $500 to $750 a year. Immediately a dislocation of their calculations by 50 per cent took place. Now, the couriers are not satisfied and they are agitating to have their salary increased to $1,000 a year. If this demand is granted, the calculations upon which they based the whole proposal originally given to congress will be upset to the extent of 100 per cent. They have taken hold of a problem which is alarming, and one which no prudent government would think of adopting in Canada at the present time. My deputy informs me that the vote they are asking this year from congress is $17,000,000.

Mr. CLARKE. They started with a vote of how much ?

Sir WILLIAM MULOCK. Less than $1,000,000.

Mr. CLARKE. The hon. Postmaster General, in reply to a statement made by my hon. friend from Jacques Cartier (Mr. Monk) this afternoon, said that in the Montreal post office letter-carriers are not required

to work more than eight hours a day, and that if they do work more than eight hours the extra time is allowed on the following day or on some succeeding day. Is that correct ?

Sir WILLIAM MULOCK. That is correct.

Mr. CLARKE. Does the same rule apply in Toronto ?

Sir WILLIAM MULOCK. The letter-carriers in Toronto, I am told, do not do any extra work.

Mr. CLARKE. How many hours do they work ?

Sir WILLIAM MULOCK. Eight hours.

Mr. CLARKE. If they work more than eight hours, what then ?

Sir WILLIAM MULOCK. My deputy informs me that the question has never arisen. Eight hours is the time. Until a recent date there was no limit to the hours of their service ; they were required to work as long as there was work to do, whether it was nine or ten hours a day. I thought it was only right to fix a limit to a day's work, and I have fixed eight hours as the extent of a day's work.

Mr. CLARKE. What does a day's work include ?

Sir WILLIAM MULOCK. A day's work means the eight hours that they are on duty.

Mr. CLARKE. Sorting letters and all that ?

Sir WILLIAM MULOCK. Yes.

Mr. CLARKE. I understand they work eight hours a day, and if they are obliged to work a longer period they will be allowed that time or get paid for it ?

Sir WILLIAM MULOCK. Yes. The question has not arisen in Toronto, because they are not required to work over eight hours. They are paid by the day and if the men were called upon to do any extra work exceeding eight hours, that time would be credited to them in the near future.

Mr. CLARKE. I am glad to hear that.

Sir WILLIAM MULOCK. The aim is to have eight hour service.

Mr. CLARKE. There is no doubt about it that if they work more than eight hours they will be allowed the time, or get extra pay for it ?

Sir WILLIAM MULOCK. That is the spirit in which we are dealing with it.

Mr. CLARKE. And that rule will be carried out in the spirit in which the minister has presented it to us ?

Sir WILLIAM MULOCK. Yes. In a service like the post office it is of course impossible to adhere to fixed hours at all times.

Mr. CLARKE. The working time of these men is limited to eight hours per day ?

Sir WILLIAM MULOCK. These are my instructions.

Mr. CLARKE. That is the rule now ?

Sir WILLIAM MULOCK. That is the rule.

Mr. CLARKE. And if there is any violation of that rule the minister will see that the men are compensated, or allowed time ?

Sir WILLIAM MULOCK. It will be compensation if they are allowed time.

Mr. CLARKE. How many letter-carriers have accepted the new scheme which the minister has evolved, and abandoned the old plan under which they entered the service ?

Sir WILLIAM MULOCK. Under the extension of time granted by parliament last year, sixty-eight letter-carriers throughout the Dominion came in.

Mr. CLARKE. How many declined to come in ?

Sir WILLIAM MULOCK. It is not a matter of declining ; it is an option. I will bring down the information to the hon. gentleman with reference to the city of Toronto, and if he wishes in regard to the rest of Canada.

Mr. CLARKE. It would be interesting to know that.

Sir WILLIAM MULOCK. Will the hon. gentleman be good enough to state the precise information he needs, and I will have it furnished ?

Mr. CLARKE. I am much obliged to the Postmaster General. There were some superior officers of the department going around amongst these men and pointing out that they should come in——

Sir WILLIAM MULOCK. That is a mistake.

Mr. CLARKE. The minister may not be personally aware of it, but it is a fact all the same. If these men prefer to remain under the old system they should be allowed to do so. Might I ask the minister if any petitions have been received by him from the men who are in this new scheme, as well as from the old men, for an increased wage, and what was done with the request ?

Sir WILLIAM MULOCK. My hon friend is entirely in error in supposing that there is the slightest pressure on the part of the government, the Postmaster General or any officer, to induce any letter-carriers to avail themselves of this privilege. I told the hon. gentleman so last session ; I tell him so again and he ought be assured. This is a

measure that some people would think for the advantage of the letter-carriers, and it is entirely in their discretion to avail of it or not. It is no great advantage to the government to have to pay a letter-carrier $125 more than he is now drawing. I am not gaining anything by his coming under the system ; it was designed for their benefit and while some have stood out others have come to the conclusion that it is to their benefit to come in.

Mr. CLARKE. Quite a number do not see it in that light.

Sir WILLIAM MULOCK. They may not, and it is not necessary that they should see it in that light, so far as we are concerned. Some of them are now asking to avail of the privilege. My hon. friend does an injustice to some of the officers in the Toronto post office, when he suggests that any of them are busying themselves to advise the letter-carriers. I am aware that there are some people engaged in always trying to make mischief amongst the letter-carriers in the city of Toronto, and misleading them and making them feel they are down-trodden and abused. I heard this story that someone was endeavouring to coerce them, and I made it my business to make inquiries myself, and I went to the city post office. I called upon the chief superintendent, Mr. Lemon—I do not know that I need mention names. I asked him if he were aware of any person trying to induce the letter-carriers to come in under the new system, and he said : no ; that many of them had come in under it and that others were considering it, and that some who did not come in were seeking advice as to what was in their interests and they had asked some other officials to give them advice. I asked him the name of any persons who had been giving him opinions, and he gave me the name of a very worthy officer in the post office who had been consulted by some of the letter-carriers and to whom he gave his opinion. I sent for that gentleman and asked him to explain to me what occurred and he said that some of the letter-carriers asked him his opinion and he felt it his duty to tell them frankly that if he were in their position he would consider the Act an advantage to him and he would avail himself of its privilege. That is the extent to which he gave them advice, and he gave it to them at their request. It was a matter of perfect indifference to him whether they acted upon it or not. Some of them have asked to have an Act now passed extending the time so that they may come in under it. They are intelligent men, but it is just a question to my mind whether or not we should again open the Act and let them in. Some of them have been wanting me to do it, and I am inclined to do it, but I have not reached a conclusion. I am informed that there are requests from eighteen letter-carriers in Toronto and from twenty-two in Montreal asking that the Act be amended so as to enable them to avail themselves of the privilege.

Mr. CLARKE. Is the document containing these requests a confidential one ?

Sir WILLIAM MULOCK. I should not think so.

Mr. CLARKE. Will the minister bring it down when he is bringing the balance of the correspondence ?

Sir WILLIAM MULOCK. Yes. I shall do so on my supplementaries.

Mr. CLARKE. I understood the minister to say that he would bring it down tomorrow ?

Sir WILLIAM MULOCK. I expect to get through these estimates to-night.

Mr. CLARKE. Of course, I do not know about that.

Sir WILLIAM MULOCK. Well, I think it is only reasonable, and there will be supplementataries.

Mr. CLARKE. The minister will bear testimony to the fact that I have been assisting him all evening to get his estimates through.

Sir WILLIAM MULOCK. I would like to be saved from such assistance.

Mr. CLARKE. Has the minister received any memorials for increased remuneration from those letter-carriers who are in this new scheme ?

Sir WILLIAM MULOCK. I really do not know ; certainly I would not grant it.

Mr. CLARKE. Will the hon. gentleman bring down that correspondence along with the other communications he received, and the replies he sent to these communications ?

Sir WILLIAM MULOCK. I do not remember whether there is any correspondence on that point or not. If there are any applications I will bring them down ; I will bring the whole Post Office Department down.

Mr. BELL. There is a large item, amounting to about $30,000, for the supply and repair of mail bags. Is that work done by contract ?

Sir WILLIAM MULOCK. The mail bags are manufactured under contract. The contractor is a man named Carson, on Rideau street. The contract is for four years.

Mr. BELL. How are the repairs effected ?

Sir WILLAM MULOCK. An allowance per bag is made. Some bags are damaged more than others, and the allowance has to be averaged.

Mr. BOYD. Has the Postmaster General received a petition from the railway mail clerks of Manitoba and the Territories, ask-

ing for an increase in their allowances? I have a copy of a petition which I understand was presented to him. These men claim that increases have been made to postmasters and others, and they think they are entitled to some consideration in that respect. They are a body of men scattered all over Manitoba and the Territories, and possibly they have not the influence that others may have; but they are a most important body, and take the greatest risks in regard to their lives. Their petition, I think, should receive the earnest consideration of the minister. I would like to ask him what he has to say in regard to it?

Sir WILLIAM MULOCK. My deputy informs me that no such petition has been received.

Mr. BOYD. I have received a letter, dated Winnipeg, January 15, 1904, which says that at a largely attended meeting of the railway mail clerks it was unanimously decided to petition the Postmaster General for an increase. It is not very likely that such a letter would be sent to me if the petition had not been forwarded. I think the memory of the deputy minister is at fault.

Sir WILLIAM MULOCK. I have not only the evidence of the deputy, but that of the controller also. If such a petition had been received by the department, the secretary would have at once transmitted it to the controller. I certainly am not prepared to increase the allowances to the railway mail clerks at the present time. They are liberally treated, and they fully appreciate it. Some busybody amongst them may have agitated for something more, but I am not prepared to yield to demands of that kind at the present time.

Mr. BOYD. I do not know who these people may be, but here is the letter. I have not busied myself about the matter at all.

Sir WILLIAM MULOCK. I do not allude to the hon. gentleman.

Mr. BOYD. The railway mail clerks will know now what the answer of the minister is if they have not received it before. It is strange that this should be sent to me and no petition forwarded to the minister. I had probably better read the letter, so that it will go on 'Hansard':

Winnipeg, Man., Jan. 15, 1904.

Sir,—At a largely attended meeting of the Railway Mail Clerks Association of the Manitoba and Northwest Territories district, it was unanimously decided to petition the honourable the Postmaster General asking that he be pleased to increase the provisional allowance of the railway mail clerks of this district from $10 or 10 per cent as now given, to $15 per month.

As you are well aware, no doubt, the increase in the cost of living in this country has been very marked in the last year or two, so much so, that the clerks feel justified in asking for this increase.

The honourable the Postmaster General has been pleased to grant a like increase to the clerks in city post offices in Manitoba and British Columbia, and the railway mail clerks consider that if the post office clerks are entitled to an increased allowance, they are equally, if not more so, to the same increase owing to the greater cost of living on account of being absent from their homes so much.

We are taking the liberty of asking all the members of parliament in our district to give us their aid and support in this matter and trust that you may be pleased to use your influence with the Postmaster General in our behalf.

We are, sir,
Your humble servants,
The Railway Mail Clerks Association,
Manitoba and N.W.T. district.
J. G. NORRIS, President. CHAS. A. HISLOP, Secretary.

Sir WILLIAM MULOCK. The reason I am not prepared to accede to any demands of the railway mail clerks at the present time is this. Last year parliament passed an Act very greatly benefiting the state of the railway mail clerks, and they fully understand and appreciate it. At the present time a railway mail clerk in Manitoba or the Northwest can go up to $1,200 a year, his mileage averages $500 a year, and he gets, in addition, an extra allowance of $120 a year, so that when he reaches the maximum he receives about $1,800 a year. The taxpayers have something to say on these questions, and I am not prepared to encourage every unreasonable demand for an increase. If it were shown that the men were not fairly remunerated, that would be another matter. The railway mail clerks are well remunerated, and they are I trust satisfied. There was one man who was a busybody, and made himself officious in trying to induce them to make further demands; but he was repudiated by the well-thinking men, some of whom published in the press their repudiation of his agitation. He came down here and called on me, and I pointed out to him what I thought was the unwise part he was playing. There was no desire on the part of the great body of the mail clerks for what he was trying to force upon them, and, in view of what had been done for them, his agitation for a further increase was very unseemly. I dare say he may have met some of these people and tried to organize them to pass some such resolution, and that letter was sent to my hon. friend; but, on reflection, they may have thought better of it. At any rate, their views on that occasion were never communicated to the department.

Mr. CLARKE. Has the minister not called in the services of the fair-wage officer to settle disputes of this kind?

Sir WILLIAM MULOCK. I have the parliament of Canada to aid me in that matter.

and I think we may depend on parliament being as wise as the fair-wage officer.

Mr. CLARKE. Then the services of that officer have not been called in ?

Sir WILLIAM MULOCK. I do not think parliament appointed him the adviser of this House.

Mr. CLARKE. I thought he might advise the hon. gentleman as to the rate of wages. Might I ask the Postmaster General what became of those automobiles which we used to see touring the streets of Toronto some years ago ?

Sir WILLIAM MULOCK. Some are worn out and some are still in use.

Mr. CLARKE. Are they abandoned altogether ?

Sir WILLIAM MULOCK. We are going to abandon the system of automobiles when those in use become unfit for service.

Some resolutions reported.

Mr. FIELDING moved the adjournment of the House.

Mr. R. L. BORDEN. What business will be taken up to-morrow ?

Mr. FIELDING. Supplementary estimates of this year for the Post Office Department and then the Department of Marine and Fisheries.

Mr. R. L. BORDEN. I understood last week from the Prime Minister that the papers in connection with the Alaskan boundary would be brought down or possibly he may have said they were in the hands of the printer.

Mr. FIELDING. That is my recollection.

Mr. R. L. BORDEN. Several weeks ago I inquired if there would be any objection to bringing down the instructions which were given the Joint High Commissioners as to their power to negotiate, and I understood from the First Minister that there would be no objection. Would my hon. friend remind the right hon. gentleman of his promise to bring these down ?

Mr. FIELDING. I shall remind the First Minister.

Motion agreed to, and House adjourned at 10.40 p.m.

HOUSE OF COMMONS.

WEDNESDAY, June 29, 1904.

The SPEAKER took the Chair at Three o'clock.

DISMISSAL OF LORD DUNDONALD—ADDITIONAL PAPERS.

Sir FREDERICK BORDEN. I beg to lay on the table of the House certain papers that were asked for by the hon. member for Jacques Cartier (Mr. Monk), also my letter to Colonel Whitley, which was asked for by the leader of the opposition. It is a private letter, but I have obtained the consent of Colonel Whitley to lay it on the table.

QUESTIONS.

RECEIPTS AND EXPENSES ON GOVERNMENT RAILWAYS.

Mr. POPE—by Mr. Monk—asked :

1. What were the receipts on the government system of railways for the current year up to the 31st of May last ?

2. What were the expenses of operation of the government system of railways for the current year up to the 31st of May last ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

1. The receipts on the government system of railways for the current year up to the 31st of May, 1904, were $6,009,766.15.

2. The expenses of operation on the government system of railways for the current year up to the 31st of May, 1904, were $6,665,071.26.

STANDARD PASSENGER TARIFFS.

Mr. MACLEAN—by Mr. Sproule—asked :

1. What railway companies have filed standard passenger tariffs, as required by section 264 of the Railway Act ?

2. Is any railway charging over three cents a mile passenger rate in Ontario, Quebec, or the maritime provinces ?

3. If so, what are these companies ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

1. I am informed by the Board of Railway Commissioners that the Dominion Atlantic Railway, the Vancouver, Westminster and Yukon Railway, the British Yukon Railway, the Klondyke Mines Railway, and the Tilsonburg, Lake Erie and Pacific Railway have filed standard passenger tariffs, as required by section 264 of the Railway Act. The board made an order, under section 311 of the Railway Act, extending the time for the filing of these tariffs until the 1st of November next.

2. There is no record or data in the possession of, or available to, the board or the Department of Railways and Canals which will enable the department to furnish the desired information.

3. No. 2 answers No. 3.

RATES OF PAY ON THE INTERCOLONIAL RAILWAY.

Mr. BRUNEAU asked :

1, What salary is paid per day to the day labourers who work on the Intercolonial Railway, between Metapedia and Montreal ?

2. Has their salary been increased ?

3. If so, when, and to what amount ?

Hon. H. R. EMMERSON (Minister of Railways and Canals) :

1. Day labourers in the mechanical department of the Intercolonial Railway between Metapedia and Montreal are paid 13 cents an hour. Day labourers in the stores' department at Drummondville, Hadlow, Lévis, St. Charles and Rivière du Loup are paid $1.20 per day. Freight porters at Lévis, Rivière du Loup and Chaudière Junction are paid $1.40 per day. Porters at other stations are paid $1.30 per day and $1.35 per day. Regular line sectionmen are paid $1.40 a day. Yard sectionmen at Ste. Flavie, Rivière du Loup and Chaudière Junction are paid $1.50 per day. Extra trackmen and labourers in the track department are paid $1.20 per day and $1.30 per day. Extra labourers at Lévis, Hadlow, Chaudière Junction and on the Drummond line are paid from $1.30 to $1.40 and $1.50 per day.

2. Yes.

3. The wages of day labourers in the mechanical department were 12 and 13 cents an hour ; but since January last all have been paid 13 cents an hour. Previous to October, 1900, day labourers in the stores' department at Drummondville, Hadlow, Lévis and St. Charles were paid $1 per day, and at Rivière du Loup $1.05 a day. These have been increased to $1.20 per day. In May last the wages of freight porters at Lévis, Rivière du Loup and Chaudière Junction were increased from $1.20, $1.25 and $1.30 to $1.40 per day. The wages of porters at other stations were increased in May, 1903, from $1.20 and $1.25 to $1.30 and $1.35. The wages of regular line sectionmen were increased in November, 1903, from $1.30 to $1.40 per day. In the same month the wages of yard sectionmen were increased from $1.30 to $1.50 per day. The wages of extra trackmen and labourers in the track department were increased in October, 1900, from $1, $1.10 and $1.15 to $1.20 and some to $1.30 (since July, 1902). During February and March last the wages of the extra labourers at Lévis, Hadlow, Chaudière Junction and on the Drummond line were increased from $1.20 and $1.30 to $1.40 and $1.50.

THE JOINT HIGH COMMISSION—PAPERS.

Sir WILFRID LAURIER. My hon. friend the leader of the opposition some time ago asked for the instructions to the Joint High Commission. I am sorry to say that the matter escaped my attention until it was brought to my attention this morning by the Minister of Finance. I beg to lay on the table now, protocol of the conferences at Washington in May, 1898, preliminary to the appointment of a joint commission for the adjustment of questions at issue between the United States and Great Britain in respect to the relations of the former with the Dominion of Canada.

DOMINION DAY ADJOURNMENT.

Mr. A. C. BELL. Is it the intention to adjourn to-morrow at six or sit up to later ?

Sir WILFRID LAURIER. That is a question as to which the government is in the hands of the House. If we could make reasonable progress, we might be induced to adjourn at six.

Mr. BELL. We made very good progress last night.

Sir WILFRID LAURIER. Yes, and if my hon. friends are in the same frame of mind, I do not know but that we might adjourn to-morrow at six.

INQUIRY FOR RETURNS.

Mr. JAS. CLANCY. Would the Prime Minister be able to say now when the correspondence in relation to the seizure of binder twine will be brought down ?

Sir WILFRID LAURIER. In the absence of the Minister of Trade and Commerce and after my hon. friend put the question on a previous occasion, I wrote the department, and I understood that the papers were being prepared and would be brought down at an early day. I shall mention the matter again to my hon. friend the Minister of Trade and Commerce.

TREADGOLD CONCESSION.

Mr. T. CHASE CASGRAIN. Is the rumour circulated in the press as to the cancellation of the Treadgold Concesion well founded ?

Sir WILFRID LAURIER. It is.

Mr. CASGRAIN. That is one result of our efforts last session.

Sir WILFRID LAURIER. If it pleases my hon. friend, he may think so.

Mr. R. L. BORDEN. Would the right hon. gentleman have a copy of the Order in Council put on the table ?

Sir WILFRID LAURIER. I cannot see any objection and will state the request to my hon. friend the Minister of the Interior.

SUPPLY—PUBLIC DOCUMENTS WITHHELD FROM PARLIAMENT.

Hon. W. S. FIELDING (Minister of Finance) moved that the House go into Committee of Supply.

Hon. JOHN HAGGART (South Lanark). Before you leave the chair, Mr. Speaker, I beg leave to move the following resolution :—

That this House regrets that the government has seen fit to withhold from parliament documents of a public character to which parliament was entitled for the proper consideration of the matters to which such documents relate.

In support of this resolution, it may be necessary for me to deal with several questions which have come before this House within the last couple of years. The first matter with which I shall deal, is a certain memorandum prepared last session by a gentleman who was then a member of the cabinet, but which was not given to parliament on the plea that it was a confidential document intended for the sole information of the government. A question then had come up, perhaps the most important this country has had to deal with for many years, the question of building a railway from the Pacific to the Atlantic. One of the members of the cabinet at the time differed from his colleagues with regard to the policy which ought to be adopted on that question. He prepared a document in which he set forth his views and gave that document to his colleagues. That document his colleagues treated as confidential, solely intended for themselves. I submit, Mr. Speaker, that when a minister of the Crown resigns office because he cannot agree with his colleagues, on a question of policy this House is entitled to everything of a documentary character relating to that resignation. But my hon. friend the Minister of Finance, speaking on behalf of the government, took an entirely different view. He said that the document, in which his former colleague had stated his reasons for resigning, was confidential, intended only for the members of the government, and that any one who would make use of it so long as the seal of confidence was not removed, was just as guilty as the receiver of stolen goods. You all know the reference which the hon. gentleman then made to my hon. friend the leader of the opposition. I hope that the Finance Minister has learned better since then. I hope he has learned that a document of that kind—no matter what term you may apply to it, private or secret or anything else—is one which the people are entitled to have and which the government were bound to disclose to the people, irrespective of the consent of the sender. In a matter of that kind, the resignation of a minister of the Crown, the people have the right to be put in possession of all the reasons which led him to leave the cabinet. To speak of such a document as confidential is an abuse of the term. Why, Mr. Speaker, take any document which goes to the Privy Council and is printed solely for the members of that council, no matter whether the word 'confidential' be written on it or not, the secretary of the Privy Council marks it 'confidential' before sending it down to the printer, and that is done simply because there is a staff in that office, one of whose duties is to see that nothing leaks out of a confidential nature, and this precaution is simply taken in order to make sure that nothing will get to the public which ought not to be disclosed. The document in question, which was sent to the council by the minister who had resigned, and which contained his reasons for resigning, we are told forsooth had to be treated as confidential. Sir, it never was so treated. The evidence produced by my hon. friend the leader of the opposition, when he discussed the matter before the House, proved conclusively that other parties had seen that document besides the members of the Privy Council—other parties who are supporters of the right hon. gentleman and his government. We had in the argument of the hon. member for North Norfolk (Mr. Charlton) the ipsissima verba of the communication which was treated by the government as confidential. However, I shall deal again with that matter in my summing up.

The next document of any importance which was kept back from the House was the most peculiar one I have read for a long time, and I may be pardoned if I dwell a little upon it. This is the document. The letter is headed 'confidential,' and begins as follows :—

Montreal, Que., Nov. 3rd, 1902.

To the Right Honourable
Sir Wilfrid Laurier, G.C.M.G., P.C.,
Premier of the Dominion of Canada,
Ottawa, Ont.

Sir,—Your petitioners desire to memorialize your government——

Hon. gentlemen will notice the peculiarity of this beginning. These gentlemen who are administering the affairs of the government assume powers belonging to the Governor General, Every petition relating to the government should be addressed to the Governor General ; and this petition shows that it is intended to be a petition to His Excellency and is sent for the consideration of his government.

—memorialize your government in regard to the construction of a first-class line of railway——

And so on. And it urges the desirability of this construction. And it proceeds :

2nd. That your petitioners propose, as soon as authorized by your government——

Fancy a petition addressed to the right hon. Sir Wilfrid Laurier in which the petitioners say that they propose to do certain things as soon as authorized by 'your' government.

—to undertake the construction of a line from North Bay, Ontario (or some other point north thereof, to be defined)——

And so on.

3rd. That your petitioners, therefore, ask that their application for authority to construct such a line of railway, to be called the 'Grand Trunk Pacific Railway' shall be granted.

4th. That your petitioners will be prepared immediately an agreement is entered into by the government——

And it goes on with the explanation and ends :

Your petitioners ask that your government will give the prayer of this petition their early and most earnest consideration.

It is no longer the government of His Majesty the King or of His Excellency the Governor General—the government of the present day it appears, is the government of the present leader. This House was considering perhaps the most important question that ever came before it, and had considered it at considerable length for two sessions, and it was the most important for the House to be in possession of this petition. It was rumoured that the Grand Trunk Railway Company had sent in a petition to the government for power to build a road for the usual subsidy. It was alleged in the House that that petition might be in existence. The government were asked again and again in this House if any documents of any kind relating to the subject were in possession of the government and not yet brought down, and the statement of the right hon. gentleman (Sir Wilfrid Laurier) was that, without equivocation, every document had been brought down to the House. Why, did the hon. gentleman say so, when, for eighteen months, he and his government had been in possession of this document and must have considered it and forwarded it to His Excellency the Governor General with their observations upon it. An important state document such as this, a document such as, in any country in the world would not have been treated as private, secret or confidential, was withheld from the knowledge of this House and the statement was made that, without equivocation, all the papers on the subject had been brought down to the House. If there is a private, confidential or secret letter in the possession of the government, the duty of the government is to admit that fact to the House and give reasons why it should not be brought down. But, in view of the bold denial that any document of the kind existed, we can understand the astonishment of the House when the document itself was read, especially when it was read by the Finance Minister for the purpose of contradicting a statement that had been made by certain hon. members as to the Grand Trunk Railway, and still more when it was seen that this petition must have been communicated to some supporters of the government before it was communicated to the House, because those gentlemen could not have spoken so authoritatively on the subject unless they had been aware of the contents of this document.

Now, there is another document which is said to be of a secret and confidential character. We see by some remarks of Lord Dundonald and the statement he has published in the papers that there is an addendum to his first report, or a second report, which he wished to have published, The Minister of Militia states that the document is a private or confidential or secret one. In the House the other evening—and, perhaps, to this extent I may be permitted to refer to a past debate in support of the motion I am making—the Minister of Militia declared this to be a private document because the letter addressed to the General Officer Commanding to the minister and inclosing the report was marked 'private.' The hon. minister gave reasons for not bringing down the document when asked by my hon. friend from North Victoria (Mr. Sam. Hughes) and also by my hon. friend from South Norfolk (Mr. Tisdale). He said that the contents of this second report were of such a character that they should be kept secret. He said also that he had two or more reports on the same subject which differed from one another. He had a report from the Defence Committee as to how the country should be defended, and he had a report of the gentleman who preceded the late General Officer Commanding in that office, presenting another scheme. And, in the interest of the country, he said, these should be considered secret and confidential. Now, what are the duties of the General Officer Commanding? As he is an officer, one would suppose at first thought that it would be for him to judge whether the communication to the minister should be made public or not, and whether the discussion of the subject and the publication of his report would be an injury to this country or not. The General Officer Commanding requests the publication of the report and this the Minister of Militia refuses to allow. What right has the Minister of Militia to do that? If we were to judge from the discussion the other evening we must conclude the General Officer Commanding had no business to report and had no business to have a policy—that it was well enough for him to report when asked to do so, but that for him to have a policy would be sheer presumption. What are the powers of the General Officer Commanding? Those powers are defined by statute just as much as those of the Minister of Militia. And I wish to deal with that particularly as my view with regard to it differs from those of the right hon. Prime Minister (Sir Wilfrid Laurier). The statutes of Canada provide for the appointment of the General Officer Commanding and assign his duties.

Remember that. The duties of the Commander in Chief are what? He is to look after the efficiency of the militia, he has charge of the distribution of the forces and everything of that kind, he had to look after the arms, stores, and everything else until the different branches, which were recently appointed, took charge of them. Even yet he is the superintendent of all of that work. The duties of the Minister of Militia are limited simply to the civil portion of the administration. There is the distinction which is drawn by the right hon. gen-

tleman (Sir Wilfrid Laurier), the same distinction as that which exists between the Commander in Chief in England and the Secretary of State for War. Every one who has studied constitutional history knows that before 1800 all power was vested in the King, as Commander in Chief, of distributing the militia, of seeing to its efficiency, of its control and equipment, of its sanitary arrangements, of providing barracks, providing ammunition, and everything pertaining to the militia force. All of that was in the hands of the King. Shortly before 1800, I believe, in 1799, the King divested himself of those powers and gave them to the Commander in Chief. From then up to 1870 there was a dual power in England. The civil portion of the military administration was managed by the Secretary of State for War, and the military department, including the equipment, discipline, and distribution of the forces, was left in the hands of the Commander in Chief. The Commander in Chief of the army in Canada has the same power as was possessed by the Commander in Chief in England at that date. The right hon. gentleman quotes Todd in support of his contention. He is perfectly right, but the error into which the Minister of Militia—I shall not say that the right hon. gentleman fell into it—is this ; he quoted some remarks of Lord Cardwell and some others as to the power above the military authorities. He forgot to say that by the Act of 1870 in England, the powers of the military were circumscribed and fixed at what they are at present, while there has been no alteration in our statute circumscribing the powers of the Commander in Chief. The Commander in Chief then had a right to report, and had a right to have a policy. No question of supremacy between the civil and military power is involved. Why should such a question arise ? The people of this country have all the power they like ; they can abolish the military altogether, and have no colonels, generals or anything else, but they chose to pass an Act of parliament which gives to the Commander in Chief certain powers and assigns certain powers to the Minister of Militia. The Commander in Chief was well within his powers when he made a report to his minister and when he assumed the sole direction and control of the appointment of officers to the militia, its discipline and everything pertaining to it. The Minister of Militia says that the powers of the Commander in Chief are subject to the approval of the Governor General in Council. His powers are not subject to the approval of the minister at all. The minister has no powers given him under the constitution or statute to interfere in any manner. When a General Officer Commanding makes a report to a Minister of the Crown, the General Officer of all men being in a position to judge whether the publication of that report would be injurious to the defence of the country and believing in fact that it would be to the benefit of the country's defence, he may justly complain at having his report suppressed by the minister. The minister refused to bring that report down to this House, to allow the House to judge between him and the Commander in Chief as to which of them is right. What has this House descended to ? It is worse than the description given by the right hon. leader of the government, of the downward trend of the Conservative party ; it has gone down, down, down. There is no longer a consultative body. It is no use submitting anything to parliament with such a government as we now have. If a petition is addressed to parliament for the purpose of righting a wrong, for the purpose of getting any benefit such for instance, as the building of a railway or a wharf, it is not necessary now to go to the fountain head for the initiation of the distribution of favours. The whole power is vested in the right hon. gentleman who leads the government. We have had an example of this in the petition of the Grand Trunk Railway.

However, in reference to the powers of the Commander in Chief let me read the authorities upon the subject. This is from the 'Law and Custom of the Constitution' by Anson.

In 1854——

This is in reference to England.

—a fourth Secretary of State was appointed for War, and to him were shortly assigned the duties of all the departments with which I have just dealt. In 1855 he was made Secretary at War as well as Secretary of State. Then the commissariat was transferred to the War Office then the Board of Ordnance disappeared and its duties were handed to the same department. . . . Thus the Secretary of State for War, assisted by a parliamentary Under-Secretary of State and a permanent staff, became directly responsible for the entire civil administration of the army. The commander in Chief still exercised an independent military control, but the Secretary of State was responsible to parliament for the exercise of this control.

Sir FREDERICK BORDEN. Hear, hear.

Mr. HAGGART. These are the whole duties of the minister.

Sir FREDERICK BORDEN. Hear, hear.

Mr. HAGGART. The whole of the power of the Minister of Militia, because our Act was passed and as Todd says, although there is no such limitation as is here stated, the King is made Commander in Chief of the army under the statute, the Governor General is made Commander in Chief under him, the duties of the Commander in Chief are assigned to him and the duties of the Minister of Militia are also enumerated. Upon that point let me tell the Minister of Militia to what the statute limits his duties.

There shall be a Minister of Militia and Defence who shall be charged with and be responsible for the administration of militia affairs, including all matters involving expenditure, and of the fortifications, gunboats, ordnance, ammunition, arms, armouries, stores, munitions and habilliments of war belonging to Canada.

The Minister of Militia and Defence shall have the initiative in all militia affairs involving the expenditure of money.

Sir FREDERICK BORDEN. Does the hon. gentleman mean to say that the last few words 'involving the expenditure of money' limits the powers of the Minister of Militia to the control of matters involving the expenditure of money or with regard to the expenditure of money ?

Mr. HAGGART. It is as plain as the English language can make it that you have no power except the initiative in all military affairs, involving the expenditure of money. It cannot be made plainer ; the words of the statute are as plain as it is possible to make them.

The Governor in Council shall, from time to time, make such orders as are necessary respecting the duties to be performed by the Minister of Militia and Defence.

Here is another clause :

The Minister of Militia and Defence shall have the control and management and shall be charged with the maintenance and repair of military buildings, forts and fortifications.

Now I will read the powers of the Commander in Chief.

There shall be appointed an officer who holds the rank of colonel or a rank superior thereto in Her Majesty's regular army, who shall be charged, under the orders of Her Majesty, with the military command and discipline of the militia, and who, while he holds such appointment, shall have the rank of major general in the militia.

His other powers are defined by the regulations which were passed on the 29th October, 1903, and which are as follows :

1. The General Officer Commanding shall be charged with the military command and discipline of the militia, shall issue general orders and hold periodical inspection of the militia

He shall be the principal adviser of the Minister of Militia and Defence on all military questions and shall be charged with the control of the branches of the adjutant general, the director general of military intelligence and military secretary, and the general supervision of the other military branches.

He shall be charged with the general distribution and localization of the militia, and with the selection and proposal to the Minister of Militia and Defence of fit and proper persons to be recommended for commissions in the militia, of fit and proper officers for promotion, for staff and other military appointments, and for military honours and rewards.

He shall be charged with the preparation and maintenance of plans for defence and for the organization and mobilization of the militia.

These are his powers as defined under the heading of 'Distribution of Duties.' I doubt very much if any regulation can limit the powers given under the statute. His powers are defined by the statute, and any regulations passed must be in line with the statute and simply for the purpose of elucidating his powers. My hon. friend the Minister of Militia and Defence and the right hon. Prime Minister fell into an error in regard to the position of the Commander in Chief. The hon. Minister of Militia and Defence read some remarks of the right hon. Lord Cardwell in reference to the powers of the Secretary of State for War in relation to the Commander in Chief of the forces, and who was quoted as stating that the powers of the Commander in Chief and of all officers holding commissions in the army were subservient to the Secretary of State for War or the Secretary of State who was at the time in control of the army.

That is perfectly true in regard to the army in England at the present day, but the hon. Minister of Militia and Defence and the right hon. Prime Minister were in error in asserting that that is the law in this country at the present time. We have passed no such Act in this country as that which the British parliament passed in 1870. We have passed no Act limiting the powers of the Crown as to the command of the forces, or the powers of the Commander in Chief or altering the powers of the Minister of Militia and Defence. In England the civil power took control of the military power. We have not conceded anything in that direction in this country. The hon. Minister of Militia and Defence also quoted some observations by the right hon. H. C. Childers who in 1870 was speaking in reference to an Act which had been passed some years before but whose remarks had no bearing on the situation in this country because we had not altered or amended our Act in this regard in Canada. We are in a position to alter or amend the Militia Act at any time. The people of Canada have all the necessary powers to do away with the militia altogether and discharge all the officers. The governing powers in this country are limited by the statute which we have passed. The Minister of Militia has his duties, the Commander in Chief has his duties and the Commander in Chief has the right to have a policy, has the right to make a report to the Minister of Militia and to this House and when he states that that report is intended for publication and invites honest criticism of it by the electors of the country its publication will surely tend more to the accomplishment of the object in view, the improvement of the defences of the country, than the suppression of the report which the hon. Minister of Militia and Defence says contemplates a scheme of defence which ought to be kept secret. Who is to judge of that ? The hon. Minister of Militia and Defence who has only a know-

ledge of civil affairs and who is the civil head of the department. Is the soldier who has passed all his life in learning what is necessary for the defence of the country not to be allowed to judge as to whether it should be published or not, or as to whether it should be secret or not ? The hon. Minister of Militia and Defence as the civil head of the department, refuses to let the people of this country judge as to who is right or who is wrong or as to what are the best means to adopt to improve the defences of the country. Has the parliament of Canada sunk to such a position that we are to be governed by the Governor in Council with secret and confidential communications ? Are we not to have these documents ? The principle is laid down as clearly as possible as to what is a private and confidential paper and I intend to deal with that question in a short time. Is it a private and confidential document that the Commander in Chief sends to his minister with the request to publish it ? Is the minister to be the sole judge of that ? Is the minister to be superior to the military authority in reference to that particular part of it ? Unfortunately the statute does not make the minister superior. The Governor General is superior, the Governor General may refuse to publish it but the minister has no power to suppress a report of that kind. Even upon consulting council the Governor General may refuse to carry out the wishes of the minister. The question arose the other day as to what authority is necessary to bring the subject for discussion before the Privy Council, as to whether it is necessary at all or not to have the signature of the minister. If the minister is absent from the town I do not think it is necessary that another minister shall act for him because I believe the deputy head may do it. Authority is very seldom given by Order in Council to a minister to act for another minister. I never knew of it. It may be done but I doubt very much if it is ever done. I think under the powers of appointing a deputy head, and the Commander in Chief may come within that category, he is given the power, in the absence of his minister to communicate directly with council in reference to any matter. The question I am coming to is this : The Commander in Chief makes a report. The minister states, for reasons which he thinks are best in the interest of the country, that the report should be suppressed. There is never a reason assigned except that a portion of the scheme of defence proposed by the Commander in Chief differed from the scheme of defence proposed by a commission of defence which was appointed some time ago.

If I understood the minister right, there was another proposition for defence submitted to him by a former General Officer Commanding, so that virtually he had three such plans before him. I can understand that the Defence Commission suggested the building of fortifications in certain portions of the country, and that they drew the attention of the government to the fact that certain parts of Canada were vulnerable ; that it would require so many men for defence and so on. Such information as that is of a secret and confidential character which should not be published, and whenever it is in the interests of the country that communications of that kind should be kept secret, the parliament of Canada never insists upon their publication. But, Sir, is the communication by Mr. Blair to his colleagues ' confidential ' ? is the petition of the Grand Trunk Railway Company for a subsidy to build a railroad a confidential document ? is the report of Lord Dundonald which he asks his minister to make public, a secret or confidential document ? No, Sir, these documents belong to the tax-payers of Canada. The principle that underlies secret and confidential documents is : no document from a public official to another public official shall be considered private and confidential, except under certain circumstances. The British ambassador representing the Court of St. James at St. Petersburg, or at any other foreign court communicates to his minister in the ordinary way an official report which is made public ; but these ambassadors also send secret and confidential reports which are not divulged. The reason is that if these latter were made public the representatives of Great Britain could not get the information which they contain. Time is often an essence in the quality of secretness ; a document which may be secret to-day may to-morrow be published without any breach of etiquette or confidence. The Governor General here communicates to the home authorities, and he no doubt also sends communications to the Secretary of the Colonies in which he writes private and confidential memoranda ; perhaps a description of the right hon. gentleman and his ability to govern this country, or a reference to the Minister of Finance, or to the Minister of Trade and Commerce. I am sure he gives for the information of the home authorities his opinion upon all those gentlemen. To say the least, it would be inconvenient to publish in this connection what are rightfully and properly secret and confidential documents. When motions have been made in the parliament of Great Britain to produce confidential documents there never has been a denial that such papers existed ; it is admitted that such documents are in the possession of the government, but it is stated that they are private and confidential and cannot be brought down. And, Sir, if the motion were for papers, or extracts from papers, which could be brought down without doing injury to private individuals who furnished the information, or without affording com-

fort to the enemies of the nation, such a motion is always complied with. But in Canada all you have to do is to mark 'private' and 'confidential' upon a piece of paper, and then it suits the government to say it is secret. The document itself is an evidence as to whether it is private or confidential. In England, documents which have been marked 'secret,' 'private' or 'confidential' in reference to certain transactions, have been put upon the table of the Imperial House of Commons without the consent of the sender. No man has a right to send a document referring to the public business of the country to any minister, or to any public official and mark it 'private and confidential' expecting that it shall be treated as such if the minister and the government think differently. The receiver of such a document has the right to decide whether in the interests of the country it should or should not be given to the public. In the Post Office Department for instance, an inspector is sent around to report upon the qualifications, the honesty and the integrity of other officials, and his report to the head of the department should not be communicated to the public, because otherwise it would interfere with the proper discharge of the inspectors duty. But when a document marked 'confidential or private, bears upon its face the evidence that the public should know its contents, then the government should at once lay such a document before parliament. Again, where a letter marked 'private' or 'confidential' is published or made use of by a minister, and it refers to other letters also marked 'private' or 'confidential' the rule in Great Britain is, and it is the rule that should prevail here, that parliament is entitled to have all these letters produced. Let me quote from this published corespondence with reference to the dismissal of Lord Dundonald. Under date of May 19th, I find the following report to His Excellency the Governor in Council:

> The undersigned has the honour to recommend for your Excellency's approval the attached draft of a general order containing appointments and promotions, 13th Scotch Light Dragoons, the same having been recommended by the General Officer Commanding.

Mark you; that is dated May 19th. We have the statement of the Minister of Agriculture that that letter was put upon his desk upon the 20th and that he did not receive it until then. Here is the letter:

> Ottawa, 1 p.m., May 19, 1904.
>
> Dear Mr. Fisher,—As arranged with you this morning, a new list of recommendations has been made out and is now in the hands of the Deputy Minister of Militia, and I trust you will see it goes through Council to-day.
>
> The recommendation re Dr. Pickel is included, to be dealt with by you.
>
> The papers re quartermaster, paymaster and Mr. C. Miltimore will go to Council later, the recommendations being in the hands of District Officer Commanding No. 6, in the case of the two former, and the latter I handed personally to the adjutant-general.
>
> I return herein, memo. you gave me this a.m., as you may require it.
>
> Will meet you at 3 p.m., at the House, as agreed.

You will notice that this letter is dated on May 19, and that on May 19 at 3 o'clock he is to meet his minister at the House of Commons. The afternoon train for Montreal starts, I suppose, at 4.10. Colonel Smart goes to Montreal that afternoon, arriving there, I suppose, at 7 o'clock. Fortunately he is able to meet Colonel Whitley there. They telephone to Dr. Pickel the same evening and get his consent to withdraw from this regiment. The consent is sent in a letter, which reaches Mr. Fisher before the document was placed on his desk which he says was sent to him on the 19th and did not reach him until the 20th. He is enabled then to go to Council with the consent of Dr. Pickel to have his name removed. What are the facts? The Minister of Agriculture admits that on the 19th he met Colonel Smart and that Colonel Smart consented to the withdrawal of Dr. Pickel. He started that evening by train for Montreal, and by a lot of fortuitous circumstances he met Colonel Whitley. The presumption is that he telegraphed to Colonel Whitley to meet him on his arrival. They telephoned to Dr. Pickel to get his consent, they wrote a letter that night and it reached the minister the next morning, to assist the minister in passing the Order in Council. To say the least of it, the agility displayed by the Minister of Agriculture, and the smartness, quickness and celerity of his motions, fully fit him for an office in the light cavalry of the 13th Dragoons.

Sir FREDERICK BORDEN. Colonel Smart was helping him, so that there was a good deal of smartness about it.

Mr. HAGGART. Look at the gravity of the whole affair. The Commander in Chief signed an order on the 18th. The minister sends it back to him and says the whole list is passed except that part of it which refers to the 13th Dragoons. He is asked to make out another. He signs another on the 19th. Poor, innocent Commander in Chief—he thought he had the authority of the minister behind him; at least he says so. He thought his minister was a consenting party to it. In the meantime Colonel Smart is up here on a visit to the Minister of Agriculture. Is he conspiring with the Commander in Chief for the purpose of getting a change in the officers of the 13th Light Dragoons? No, he conspires with the Minister of Agriculture. He promises to

get authority from Dr. Pickel to remove his name; he goes down to Montreal and gets Dr. Pickel's consent. Consider the whole matter. The Minister of Militia found fault with Colonel Waugh, the commander of the district. He is the only officer besides the Commander in Chief who comes respectably out of this affair. Fancy an officer under the Commander in Chief sending a recommendation to him and then coming up to the Minister of Agriculture for the purpose of arranging a different set of officers. Where is there an officer or a gentleman worthy of the name who would consent to any such actions as that—two of his inferior officers conspiring with a man who had no business at all to take any part in the matter, but who was the actual power in the country, for the purpose of changing his recommendations without his knowledge. A more disgraceful affair never occurred in military matters, except the one we mentioned here the other day with reference to Colonel Gregory. Colonel Gregory an officer of the force, comes down and sees the Commander in Chief and gets his consent to the extension of his term for a couple of years. He speaks to him with regard to the appointment of Major Glasgow. The Commander in Chief agrees with him in reference to Major Glasgow not having the qualifications at the time, but that he may get the qualifications and get the appointment—an officer sent from where? Colonel Otter, the officer commanding the district, is sent to Colonel Gregory and tells him: For your own peace and in the interest of the regiment you ought to appoint Major Glasgow to the position. Colonel Gregory alleges that he had Colonel Otter's statement that Major Glasgow was not qualified and that he ought not to appoint him. Colonel Gregory could not understand it. He said: Why, I have been talking to the Commander in Chief, and he says my time shall be extended for two years; and he approves of my conduct with reference to the appointment of the major. But I have been, says Colonel Otter, in communication with a party who has more power than the Commander in Chief. Fancy an officer commanding a district doing that.

Sir FREDERICK BORDEN. Will my hon. friend give the evidence of that?

Mr. HAGGART. Yes. I saw the published statement of Colonel Gregory.

Sir FREDERICK BORDEN. Oh.

Mr. HAGGART. Do you deny it?

Sir FREDERICK BORDEN. The published statement that Colonel Otter made use of in the remarks you say?

Mr. SAM. HUGHES. You are both talking at once. We cannot hear you.

Mr. HAGGART.

Sir FREDERICK BORDEN. I was not talking to the hon. gentleman. I was talking to his superior.

Mr. SAM. HUGHES. I want to tell the minister that he is talking to the House of Commons, not to any individual. I do not want any of his impudence.

Sir FREDERICK BORDEN. I know that my hon. friend (Mr. Haggart) does not wish to misrepresent. I do not believe that Colonel Otter could have made any such statement. I would like to see the evidence of it.

Mr. R. L. BORDEN. Might I ask the government a question? As Colonel Gregory's case will undoubtedly be discussed in the House of Commons before the end of this session, and as the government has the power to put on the table of this House all the correspondence between Colonel Otter and Colonel Gregory as well as between the department and those officers, will the government at the earliest possible moment see that that correspondence is placed on the table of the House?

Sir FREDERICK BORDEN. There is no objection to that whatever.

Mr. SAM. HUGHES. And might I ask further that all verbal or oral directions given to Colonel Otter by the Minister of Militia be placed on the table?

Sir FREDERICK BORDEN. They were not taken down by phonograph, so far as I know.

Mr. HAGGART. All I can say is that these are the statements in the letter purported to have been written by Colonel Gregory. I hope they are not true. I hope, for the honour of the militia officers of this country, that no militia officer would ever be found to have done what is alleged to have been done by these gentlemen with reference to their Commander in Chief. Sir, there is no superior military officer in this country to the Commander in Chief. Those regulations regarding public letters and public criticisms of superior officers, which were read in the House the other day, are regulations of military discipline which apply to the relations of military men among themselves, and have nothing to do with the civil service of the country. There is no civil servant in this country who outranks any military officer, because each branch is separate and distinct from the other, and there is no military officer who is bound by the regulations of the civil service. But just fancy two officers wearing His Majesty's uniform—one commanding a district, Colonel Whitley, and the other expecting to command a cavalry corps—coming to the Minister of Agriculture and making arrangements with him—without the knowledge and behind the back of the Com-

mander in Chief—for the appointing of officers to the force. No gentleman occupying the position of Commander in Chief would submit to any such slight. He would not be fit for the position if he did not take the first opportunity to resent it. And what are we to think of the conduct of the Minister of Agriculture ? I am not denying him the right to advise his colleague the Minister of Militia regarding the appointments in any manner he likes. I am not denying his right to discuss these appointments in Council in any way he likes. But I am discussing the position of the Commander in Chief, who saw an important order—an order for the formation of a cavalry corps—held up for two or three months by the Minister of Agriculture in order that he might have opportunity to use his political influence and have some two or three appointments made in that corps to suit himself. Such a thing never occurred in this country before, and I hope never will again. I say let that officer be dismissed who would go to the Minister of Militia, or any other member of the government, without the knowledge of his Commander in Chief, and for the purpose of setting at naught the instructions or orders which the commander deemed necessary for the discipline and good government of this country's militia. What justification was there for the interference of the Minister of Agriculture ? The First Minister pleads that he was acquainted with that section of the country and that the Commander in Chief ought to have been glad to get his assistance. But, Sir, he never spoke to the Commander in Chief. He went instead to his subordinates. He hung up the 'Gazette,' and kept it hung up a couple of months, in order that he might cabal with Colonels Smart and Whitley for the purpose of having his own nominees appointed.

We have a new doctrine expounded in the Order in Council dismissing Lord Dundonald. We have the doctrine laid down that each district in the country should be under the direction of the particular minister who hails from it. I am not denying that the minister of any department has the right to consult any one of his colleagues from any particular section of the country, which may be affected by any particular measure. But that is quite another thing from laying down the principle in an Order in Council that the minister who represents any particular district should have the control of everything affecting that district, no matter whether it has to do with his own department or not. Just see the absurdity of the thing. Here we have the Minister of Agriculture acting likewise as Minister of Militia for the district from which he comes. He is also, no doubt, to be Minister of Public Works, and Minister of Railways, and Minister of Justice for that section of country. And in like manner every other minister in the cabinet is to be Minister of Agriculture for the particular section to which he belongs. What an anomaly ! Here is a new definition of the rights and powers of the ministers laid down in this famous Order in Council. Let us push this doctrine to its logical conclusion. A portion of Nova Scotia is represented by the Minister of Militia and another portion by the Minister of Finance. Then the Minister of Militia can only have control of his department in that particular part of Nova Scotia which he represents. In the other portion, represented by the Minister of Finance, all militia matters must come under the jurisdiction of that hon. gentleman. And so on, with every other province and district in the country. It may be all very well for hon. gentlemen to make an argument of that kind in the House when they find themselves in a desperate strait and do not know how to escape, but to lay it down in an Order in Council is something I cannot understand.

However, let us come down to particular facts. Here is a letter which I shall read :

> Dear Colonel Whitley,—I have not had an opportunity to reply to your letters of the 14th and 15th May earlier, but yesterday I had an interview with Colonel Smart, at which I think all arrangements were satisfactorily made to push along the establishment of the 13th Hussars.

But where are the two letters of the 14th and 15th May, to which this purports to be a reply ? These the minister deliberately refused to bring down. He says that they were marked 'private' and 'confidential,' and that he sent them back to Colonel Whitley to do with them what he pleased. We have the reply, but the hon. minister refuses to give to the House the letters which brought forth that reply. I submit that these letters, which were written by a colonel commanding a district to a member of the government, are essentially public documents. I suppose the Commander in Chief never saw them. But, from whatever point of view they are considered, these letters must be regarded as official letters, and, that being so, the House is entitled to them. If we are refused them, the government must bear the responsibility of that refusal. On that subject let me read a remark of Mr. Disraeli, as reported at page 1182 of the Parliamentary Debates of 1860 :

> What I said was this, that no minister should lay papers on the table of the House referring to private letters without producing them, if they relate, of course, to public affairs.

This is the limitation. Here are two letters that, from the tone of the reply evidently relate to the appointment of some officers of the 13th Light Dragoons. And the government refuses to lay them on the table of the House. The rule is laid down clearly in Todd :

> The rule which forbids any encroachment by parliament upon the executive authority of the Crown has a further application, to

which our attention must now be directed. It is imperative that parliament shall be duly informed of everything that may be necessary to explain the policy and proceedings of the government in any part of the empire ; and the fullest information is communicated by government to both Houses, from time to time, upon all matters of public concern. For it is in parliament that authoritative statements are made, or information given by ministers, upon public questions ; and no action in parliament should be based upon declarations of policy made elsewhere. Sometimes a statement, by the minister who is specially responsible, is made in one House and not repeated in the other.

. . . . . .

Considerations of public policy and a due regard to the interests of the state, occasionally demand, however, that information sought for by members of the legislature should be withheld at the discretion and upon the general responsibility of ministers. This principle is systematically recognized in all parliamentary transactions : were it otherwise, it would be impossible to carry on the government with safety and honour. Whenever it is declared by the responsible servants of the Crown, that any information sought for in parliament could not be supplied without inconvenience to the public service, or for other sufficient reasons, the House refrains from insisting upon its production.

And if the government object to produce any documents, on the ground that they are of a private and confidential description, it is not usual to insist upon their being furnished, except under peculiar and imperative circumstances.

But it must always be remembered that all public transactions of state are necessarily official ; and that no public officer would be justified in withholding from official record and access, any document, emanating from himself in his official capacity, in relation to public affairs.

So, it is as clear as possible what should be considered as a private, confidential and secret document. No document printed by a minister of the Crown who parts from his colleagues explaining why he differed from them on so important a question as the construction of a main line of transportation across the country can be considered a secret document. Nor can there be any justification for refusing to put the House in possession of a petition which is evidently intended for the Governor General, and which proposes a method of building a railway concerning which the people are exercised to a greater extent than they ever were before by the proposed construction of a public work. Yet these hon. gentlemen opposite concealed from the House for eighteen months the fact that this document was in existence, a document in the form of a petition, and formally praying in two or three places, and especially in the concluding part of it, that the government will take their petition into serious and favourable consideration. This, we are told, is to be treated as a confidential document, as one concerning which the people must not be informed, when they are considering the most important question that has been before then for years. According to any reasonable theory of responsible government, the government is a committee of parliament, with parliament as a consultative body. And, on every occasion parliament should be given the fullest information on everything that they are called upon to decide. But now, we, who at one time were 'democrats to the hilt' have adopted what was alleged to be the old Tory practice of government by council, and keeping from the people information which they are entitled to—everything to be done under the cloak of 'private' and 'confidential,' and parliament to be given, for assistance of its deliberations, not such information as is necessary to the interest of the country but such as is deemed advisable in the interest of the government. We are told that the Conservative party, the great party of the past, is on the downward grade at the present day. How do you dare to accuse the Conservative party of taking a downward course ? And does not such an accusation come well from the party that never yet in power kept a pledge that it had made in opposition ? What charge of that kind can be made against the Conservative party ? None ; they have at least retained their honour. And better it would be to remain in opposition for centuries than to obtain power by false promises and retain it without carrying out a single promise made in opposition. These gentlemen accuse us of being on the downward course. It reminds me of the famous answer of Cicero : Clodius me accusat. This accusation that the Conservative party is moving downward comes from a party steeped in degradation—for there is no greater degradation than that of the man who says one thing and does another, who promises one thing and performs another, charging us with going downwards ! You may strain the English language, you may get the hon. member for Hants to give a meaning to a word which it does not bear and immediately after listening to it state that you did not intend to do it, that you intended to use another word. The hon. gentleman may refer to authority after authority in support of it but his argument reached its sublimity when he told us of the Englishman going up to Scotland and being called a stranger on his arrival. The right hon. gentleman quoted Sir Walter Scott in support of his version of the meaning of 'stranger.' He little understands Sir Walter Scott, he little understood what Sir Walter Scott was writing about in reference to the Highlands of Scotland. Sir Walter Scott knew the Highland character well. An Englishman although newly arrived there, was an Englishman, a foreigner, an enemy, a Sassenach. The most contemptuous manner in which he could speak

of an Englishman on his arrival there was to call him a stranger. I thought when the right hon. gentleman quoted Sir Walter Scott that he was going to cite to us the lines which we all remember learning when we were boys, the description of the battle of the Saxon and the Gael where the Highlandman concludes by presenting his sword to Fitz James, clasping it to his breast and saying :

Stranger, I am Roderick Dhu.

The right hon. gentleman may be right in the meaning he attaches to the word, and in quoting Sir Walter Scott. We do not win elections by matters of that kind, but the right hon. gentleman must remember that on a celebrated occasion when Sir Charles Tupper made a slip in reference to the right hon. gentleman in a speech delivered, I think in Winnipeg, and which he afterwards tried to explain, the right hon. gentleman (Sir Wilfrid Laurier) held him firmly to the words which he uttered at that time. If the right hon. gentleman holds others to their words——

Mr. McCOLL. I would like to ask the hon. gentleman a question. Is he not mistaken in his reference to Fitz James and Roderick Dhu. Are not the closing words :

These are Clan Alpine's warriors true ;
And,—Saxon,—I am Roderick Dhu.

Not 'stranger.'

Mr. FOWLER. It is all the same.

Mr. HAGGART. It is all the same. It is 'stranger' in my edition. I was dealing with the question with which the hon. gentleman was dealing the other evening. We will give him all the hope he wants in reference to that expression. I suppose we must take it for granted that the right hon. gentleman was thinking in one language and speaking in another and that he had difficulty in expressing his thoughts, and we are willing to accept his explanation that he did not mean the word he used. Both of them were offensive enough, goodness knows. As I said he must expect very little quarter ; we are at war with the right hon. gentleman and it is not war to let him out of his difficulties as easily as he expects to be let out. He did not let us out whenever an opportunity presented itself, and when Sir Charles Tupper made a slip you heard of it from Quebec to the Pacific ocean. Sir Charles Tupper on one occasion called the right hon. gentleman, a Frenchman and a Roman Catholic and said 'can you not expect more from me, a Protestant, in dealing with separate schools, than from a gentleman who is French and a Roman Catholic.' We caught it for that, from one end of the country to the other. The right hon. gentleman made the best use of it he could and he must expect in the war which we are carrying on with him that we will take every means to remove him from power. Instead of the Conservative party going down, down, down, the right hon. gentleman and his party are going down, down, downwards. A few weeks from now there will not be the cheering that we heard from the seats behind the hon. gentleman ; there will be a different tone. I much mistake the sentiment of this country at the present moment, or the time has come when these gentlemen who have been false and recreant to every promise they made to the people of this country when they had an opportunity of carrying out these promises will be repudiated by the people of the country who will become sick and tired of their extravagance, the false promises and the neglect to avail themselves of opportunities which presented themselves. When the opportunity arrives for an expression of public opinion I much mistake the sentiment of the country, I much mistake the sentiment of my countrymen who are the backbone of the country which party the hon. gentleman leads, I mean the Scotchmen of the country if they do not repudiate the hon. gentleman. Above all things the Scotchmen are true to the empire, above all things they are true to a man of honour ; they are true to the man who they think has stood up for their rights and who has been unjustly deprived of a position from no neglect or indifference on his part but simply on a question of etiquette between himself and the Minister of Agriculture.

I have been a member of this House for a number of years and I have never seen such treatment given to the House by the government in reference to the production of papers as we have had for the last two or three years. I regret the tone of this debate, I regret it because the ministers who manage the affairs of the country are responsible for it. I regret the tone of the debates in this House and I should like to see a higher standard. The ministry should keep the debates strictly within reasonable bounds ; they are responsible for the good conduct and honour of the House. I regret the cheapening effects which have ensued since these hon. gentlemen came into power and I hope for a better state of affairs.

I shall conclude my remarks by saying that I think I have proved up to the hilt that this House has been denied papers to which it has been entitled and which were necessary for the proper consideration of the subjects under discussion, and which do not come under the category of private, secret and confidential. These were papers to which the House is entitled, and it is our duty—because the privileges and rights of this House are the foundations of the liberties of the people of this country, to speak up and insist on every right which they possess. Where the publication of a

document does no injury to the individual privately, where it exposes no one to contumely, does no injury to the country by exposing some of its weakness in defence, but on the contrary would furnish information which might be to the benefit of the country, it then is the duty of the government to ask a grand inquest of the people, to trust in them, to consult with them and to give them all the information which is necessary for the proper consideration of the subject in hand.

Right Hon. Sir WILFRID LAURIER (Prime Minister). Mr. Speaker, I do not propose to follow my hon. friend from South Lanark (Mr. Haggart) upon many of the questions which he has brought to the attention of—not to the attention of—but before the House, which have little if any relevancy to his motion. The subject might be a tempting one, but on the whole, I think it better, in view of the hope that he has expressed that the tone of this debate shall be higher than it has been in some debates of the past, that I should not attempt to follow everything that he has said. I will confine myself strictly to the object of this motion. Let me make one remark now to my hon. friend. He says that I cannot expect any quarter from his side of the House. Let me tell him that I never asked for any quarter, nor do I ask for any now. Provided the war is carried on, as it must be carried on, in the political sense, I mean, by honourable methods, I have nothing to complain of.

I will come at once to what is the object of the motion of my hon. friend. It is that the House shall censure the government for not having communicated to it certain information which was in its archives. My hon. friend confined his ground of attack to three different documents, that is to say, to the memorandum which Mr. Blair prepared upon the transportation question when he was a member of the government, to a certain letter addressed by Mr. Hays to the government upon the subject of the building of a transcontinental railway, and to the report of Lord Dundonald addressed by him to my hon. friend the Minister of Militia and Defence (Sir Frederick Borden). In regard to the first one of these documents the memo. prepared by Mr. Blair some two years ago, while he was a member of the government, upon the question of transportation generally, if I understood my hon. friend aright, he stated that this document should have been placed in the hands of the House. First of all since my hon. friend has referred to the fact that the tone of the debate is not as high as it was at one time, let me ask him : How does he know that Mr. Blair ever prepared any such document as that ? If he knows of it, it is not because he has had any information from us.

Mr. HAGGART. Because the hon. Minister of Finance (Mr. Fielding) and other members of your own government have admitted it.

Hon. W. S. FIELDING (Minister of Finance). My hon. friend (Mr. Haggart) is wrong. The Minister of Finance made no such admission.

Sir WILFRID LAURIER. As far as my memory serves me, my hon. friend the Minister of Finance never alluded to that document at all, but that document found its way into this House in a manner which still remains unexplained ; at all events it did not come to the knowledge of the House in a manner that is consistent with the honour or forms of parliamentary debate, if we are able to keep up the dignity of debate which my hon. friend appears so anxious to do. The fact has gone abroad, it is a matter of public knowledge that Mr. Blair, when a member of this government offered to his colleagues a memo. on the subject of transportation. My hon. friend is an old parliamentarian, he has been many years in this House, he has been for several years a member of the government, and adviser of the Crown, and he knows that all communications of that character are strictly secret and confidential and that it is not in the power of any member of the administration to give out or discuss the contents of that document outside of the cabinet itself. It is true that Mr. Blair differed from his colleagues on the question of transportation. As a result of the dissent of Mr. Blair upon that question, he thought it advisable to withdraw from the government, and to place his resignation in the hands of His Excellency the Governor General. When he had placed his resignation in the hands of the Governor General, it was not only his duty, but it was his right and his privilege to give to the House all the information which he thought himself entitled to give in regard to the disagreement that had taken place between himself and his colleagues. He could not do so until he had obtained the permission and leave of the Governor General, leave which, under such circumstances is always given as a matter of course. When Mr. Blair took the view which he finally carried out of withdrawing from the government, he obtained from the Governor General permission to state to the House the causes of his disagreement which had led to the severing of his connection with his colleagues. He obtained upon that occasion leave to communicate to the House all the information which in his judgment was necessary and advisable to place the House in possession of the points of difference between him and his colleagues. Mr. Blair made his statement before the House, but Mr. Blair did not think it advisable to ask the Governor General for permission to lay that document before the House. If Mr. Blair had thought it advisable for his own protection and for the proper understanding of his position before

the country to ask His Excellency the Governor General for permission to place that document before the House, there is no doubt whatever that His Excellency would have given that permission, since, in justification to Mr. Blair himself who was the best judge of that matter, he thought the production of such a document to be essential to his defence. But Mr. Blair did not think it advisable; he thought this communication which he had laid before his colleagues should remain what it was then and what it has been since—purely confidential, and under such circumstances, I say that I am still at a loss to understand upon what ground the House can ask for the production of that document as a public one. There can be no possible doubt as to that and upon this point, I think it is sufficient to make these observations to satisfy the House that the position of my hon. friend is absolutely untenable.

My hon. friend has mentioned another document—the letter of Mr. Hays, addressed to me personally as the head of the government, upon the question of building another transcontinental railway. We had a discussion upon this subject some time ago, and if my hon. friend will permit me to say so without offence, I think he will agree with me that he has not added anything to the light which was thrown upon the subject by the observations he has made to-day.

Therefore, as my hon. friend has adduced no new argument upon this point, I will pass away from it without any further comment.

Then, my hon. friend came to the report of Lord Dundonald. I followed my hon. friend very closely upon that, especially when he made the statement in the early part of his remarks that he would give chapter and book which would conclusively show that a document of that character was in its nature a document which should have been made public immediately it had been placed in the hands of the Minister of Militia. My hon. friend spoke with greater emphasis as to the knowledge which he had upon this point, than the speech which he delivered warranted. I followed him very closely. I claim to have some little familiarity with the subject. I thought I had read all the books that it was possible to read upon it. I thought perhaps something had escaped my attention, and I was anxious to know what new authority my hon. friend could give to the House. But the only quotation which the hon. gentleman made was from Todd, a quotation with which we have been made familiar during the present session. If my hon. friend however will study Todd a little further, he will find that he has omitted from his speech the reference in which Todd applies directly to the case in hand. The question is, whether reports of this character are confidential or not. I have looked into the statutes to find what ought be the character of the reports which the heads of departments should present to parliament. The language of the statute with regard to the Minister of Militia is the least satisfactory of all, because it simply says in section 126 of the Militia Act.

> All regulations made under this Act, and an annual report of the state of the militia, shall be laid before parliament by the Minister of Militia and Defence within the first thirty days of the then next session thereof.

Mr. HAGGART. I intended to quote that: I forgot it.

Sir WILFRID LAURIER. I am very glad to be able to complete the speech of my hon. friend, but if he had quoted it, I suppose he would have sat down immediately, because there would be no further reason to go on with his speech. Since we agree on this point, let me read it again for the information of my hon. friend, and in order to refresh my own memory.

> All regulations made under this Act and an annual report of the state of the militia shall be laid before parliament by the Minister of Militia and Defence.

The minister is bound to make a report upon the actual state of the militia, and nothing else. If he receives a plan from the Commander in Chief, or if he receives any proposed or suggested policy, there is no injunction on him to bring such before the House. The law says that his report must be confined strictly to what is the actual state of the militia. Let us see what information the other ministers are obliged to impart to the House. Section 6 of the Act with regard to the Department of the Interior says:

> The Minister of the Interior shall annually lay before parliament within fifteen days after the meeting thereof, a report of the proceedings, transactions and affairs of the department, during the year then next preceding.

There also, the Minister of the Interior is enjoined;—not to place before parliament what he contemplates; not to place before parliament a statement as to what he may have in view for the future, but simply a statement of the transactions which have taken place during the year. Section 7 of the Act dealing with the Department of Marine and Fisheries says:

> The minister shall make and submit to the Governor General an annual report on all the works under his control, to be laid before both Houses of parliament within fifteen days from the commencement of each session, showing the state of each work, and the amount received and expended in respect thereof, with such further information as is requisite.

Here again the minister is enjoined only to acquaint parliament as to what he has done during the year. Section 6 of the Act dealing with the Secretary of State's Department says:

The Secretary of State shall annually lay before parliament within ten days of the meeting thereof a report of the proceedings, transactions and affairs of the department during the year then next preceding.

Dealing with the Department of Inland Revenue, the Act says :

The Minister of Inland Revenue shall annually make to the Governor General, to be laid before parliament within fifteen days after the meeting thereof, a report and statement of the transactions and the affairs of the department during the year then next preceding.

Probably the most minute of all the departmental reports is that of the Post Office Department, and under the Act the Postmaster General is directed that he :

Shall annually make to the Governor General so that they may be laid before parliament within ten days after the meeting thereof, in each section the following reports which shall be made up to the 30th day of June then next preceding ; that is to say : general accounts current, what to contain and show : payments for mail transport in detail ; salaries, &c., in detail ; incidental expenditure in detail ; cases of loss or abstraction of money letters ; money order offices ; cost of money order system ; losses under money order system ; dead letters ; post office savings bank transactions, &c.

I have merely read the summarized side lines as to what is to be done by the Postmaster General under these different headings.

It will therefore be seen that the only injunction laid upon the heads of the different departments, is that they are directed to make a report for the information of parliament as to what has been the transactions of their departments for the past year. But, my hon. friend (Mr. Haggart) goes further and he says, that we should not only have information on what has been done, but that even the intentions of the ministers, the policy which they contemplate, the views they may entertain, and the views and the policy as to which they may have been advised, should all be laid before parliament. Well, if the suggestion of my hon. friend were followed, it would be a great calamity in the management of the public affairs of this country. For instance, it would not be conducive to the best interest of the country to have the plans submitted to the Minister of Militia for the defence of the country, laid before parliament. I saw it stated somewhere recently, that parliament should be placed in possession of even the report prepared some years ago with regard to the defences of Canada. Of course, no one would pretend seriously that a secret report as to what ought be done for the defence of Canada should be made public. If that were done we might just as well give away the whole of our preparations in that direction. There is no more reason why we should make public any plan suggested by the General Officer Commanding even if we did not approve of it. If such documents were made public, they would become the subject of wrangle between party and party—wrangle is not the proper word to use—but they would become a matter of dispute and contention between parties holding views on one side and the other. That would not be conducive to the best interests of Canada. It is far better that such a matter should be left between the minister and his military officer, and that when a policy has been agreed upon then it should be discussed by parliament. If the policy suggested to the minister by his adviser should be made public so that it might become the bone of contention between contending parties, then in my opinion the value of our militia force would be greatly impaired. My hon. friend (Mr. Haggart) was good enough to state, that such documents as the reports of ambassadors from foreign courts should not be presented to parliament. I agree with him that the diplomatic reports from ambassadors at Paris, St. Petersburg, Berlin, Washington, or other foreign court, should be kept secret. The reason for that is obvious ? All the authorities agree that such reports should be kept secret, until such time has elapsed that they have no value except as a matter of history ; but so long as the question to which they relate are live issues, they must be kept sacredly guarded in the archives of the government to which they are addressed. If the hon. gentleman (Mr. Haggart) admits that diplomatic correspondence should be kept secret, is not the reason at least just as strong, why military correspondence should be kept secret and sacred in the archives of the department to which it is addressed ?

My hon. friend stated otherwise, however. As to that, it is a matter of opinion which I have only to leave to the appreciation of the House. All the authorities—I need not repeat those which I gave to the House the other day—are exactly contrary to the views entertained by my hon. friend. But my hon. friend went further to-day. He said that private letters should be laid on the table of the House and given to the public. Well, Sir, upon this point, let me for the information of my hon. friend, quote the standard book on this subject—'May on Parliamentary Practice.'

Returns may be moved for, either by order or address, relating to any public matters, in which the House or the Crown has jurisdiction. They may be obtained from all public offices, and from corporations, bodies, or officers constituted for public purposes, by Acts of parliament or otherwise ; but not from private associations, such as Lloyd's, for example, nor from individuals not exercising public functions. The papers and correspondence sought from government departments should be of a public and official character,

and not private or confidential. The opinions of the law officers of the Crown, given for the guidance of ministers, in any question of diplomacy or state policy, being included in the latter class, have generally been withheld from parliament.

If the opinions given by the law officers of the Crown for the guidance of the government have generally been withheld from parliament, and regarded as privileged and confidential, with what greater reason should not this same rule apply to the opinions of the military experts and advisers of the Crown ? May goes on to say :

In 1858, however, this rule was, under peculiar and exceptional circumstances, departed from, and the opinions of the law officers of the Crown, in regard to the case of the Cagliari, were laid before parliament. In 1871, in the select committee on the Thames Embankment, a case submitted to the law officers being required, it was objected that the production of such a document was unusual ; but as it appeared that their opinion upon the case had already been laid before the House, the objection was withdrawn, and the case was produced before the committee.

But however ample the power of each House to enforce the production of papers, a sufficient cause must be shown for the exercise of that power ; and if considerations of public policy can be urged against a motion for papers, it is either withdrawn, or otherwise dealt with according to the judgment of the House.

That is to say, it should not be simply an arbitrary request for the gratification of an idle curiosity, or a curiosity of any kind; but a sufficient reason must be given to the House why the papers in the archives of the government should be given to the public, and the public interest must be shown. My hon. friend has brought to the attention of the House such extraordinary theories to-day that I am not surprised that on minor points he should have erred as he has. If I understood the speech of my hon. friend aright, he has laid down the doctrine that under the law as it is to-day there are in the Militia Department two authorities, the civil authority and the military authority ; that the civil authority has certain functions to perform, and the military authority certain functions ; that the military authority is quite independent of the civil authority—that it is not dependent upon it. Well, I take the most complete issue with my hon. friend on this point. I say that the law of Canada to-day is the same as the law of England on this subject, that is, that the military authority is subject to the civil authority. The point is no longer debatable ; I will not for my part debate it, but will leave it to the judgment of the House. But I understand from the assent which was given to the words I used a moment ago that I have stated correctly the views of my hon. friend. I say I will not discuss that question. We are not called on to-day, in the year 1904, to discuss a question like that before the Canadian people. The position of this government on that point was laid down more than three years ago—because this is not the first time we have had a disagreement with our military expert. In 1900, Colonel Prior, then a member of this House, put the following question in this House with regard to the utterances of the gentleman who was then commander of the forces :

Has the attention of the government been called to the following words made use of by Major-General Hutton in a speech delivered by him at a farewell dinner tendered to him on the 14th inst., by the officers of the Ottawa brigade :—

'I have used my utmost endeavour to create a national militia army worthy of the responsibilities which are peculiarly its own, and which, to ensure success, must be placed upon a plane above all possibility of party political interference as regards its discipline, its personnel and its military machinery.

I should, however, feel more hopeful of the future of Canada if the government had even shown active interest in our recent efforts, for a higher efficiency, or indicated their approval of the principles upon which our efforts are based. I would ask you, however, in all due seriousness not to suppose that the severance of my ties with you is due to petty misunderstandings with the Minister of Militia upon minor issues of appointments or disciplinary matters, but that it is due to broader, wider and vastly more important issues.'

Is it true that the government have not approved of the policy of the Major General Commanding, as set forth above ? Can the government inform this House what was the cause of the disagreement between them and the Major General ?

The answer I gave, speaking for the government, was as follows :

Yes, the attention of the government has been drawn to that portion of Major General Hutton's speech mentioned in the question, and to other portions also, equally reprehensible. There have been differences of opinion between the government and General Hutton. The government were disposed, now that he has been recalled for service in Africa, to let these differences pass without any comment. The government had reason to believe that this was in accordance with General Hutton's views, and therefore when the subject was brought up in the House a few days ago, the government refrained from making any statement on the subject. There is now no reason to follow that course any further. General Hutton in his speech has insinuated that his differences with the government are due to a desire on the part of the latter to exercise improper political influence on the militia organization of the country. I desire, on the part of the government, to say that there is absolutely no foundation for such a statement. The causes of difference between the government and General Hutton were not over any broad questions of general policy ; the causes of difference were that General Hutton was insubordinate and indiscreet, and deliberately ignored the authority of the minister

in the administration of the department. The government desire to state that while they will, at all times, be prepared to give the most careful consideration to any representations which may be made by the officer commanding the militia, it must be distinctly understood that any such officer, on accepting the position in question becomes from that time, an officer in the employment of and subject in all respects to the government of Canada, and that he is to be regarded as the adviser, but not as entitled to control the Department of Militia. The government are responsible to the parliament and people of Canada for the due administration of each and every branch of the public service, and they would be derelict to their duty if they were to permit any subordinate official, under any circumstances, to take upon himself to disregard the instructions he may receive from the constitutional head of his department.

I have nothing to add to what was stated on that occasion by me as the head of the government. This was the position we took, and this is the position by which we are to be judged by this House and this country.

Mr. R. L. BORDEN (Halifax). Mr. Speaker, the right hon. gentleman has introduced a subject which those supporting the government are very anxious to introduce on occasions of this kind. That is the question of the subordination of the military to the civil power in this country. That is not the question which is before the House, but as my right hon. friend has said a few words about it, I shall do likewise. There is no doubt under the statute as to who is responsible to parliament for the administration of the militia:

> There shall be a Minister of Militia and Defence who shall be charged with and responsible for the administration of the militia force, including all matters involving expenditure and of fortifications, gunboats, ordnance, arms, armouries, stores, munitions and habiliments of war belonging to Canada.

When the Prime Minister undertakes to argue that that statute means what he says, he is simply setting up a man of straw which no one but himself has any regard for. The argument of my hon. friend for Lanark (Mr. Haggart) was this. He argued that in this country, owing to the difference in legislation, the Commander in Chief has certain larger powers than those he possesses in Great Britain at present, but he never argued that the Commander in Chief was not subordinate to the Minister of Militia in this sense, that the Minister of Militia is ultimately responsible to parliament and the country. There is no use in arguing a matter which is not in controversy and which is simply introduced for the purpose of taking away the attention of the public from that which is really in question. But let us remember that although the Minister of Militia is ultimately responsible and that the Commander in Chief holds his position under the government of this country, the latter officer has under the statute certain responsibilities as well. And they are these:

> 1. The General Officer Commanding is charged by statute, under the orders of Her Majesty, with the military command and discipline of the militia.
>
> 2. He is the principal adviser of the Minister of Militia and Defence on all military questions; is charged with the general supervision of the military branch of the department; issues general orders; and holds periodical inspections of the militia.
>
> 3. He is charged with the distribution, quartering, and localization of the militia; with the preparation and maintenance of detailed plans for mobilization; with the preparation of schemes for offensive and defensive operations; and with the collection and compilation of military information.
>
> 4. He recommends to the Minister of Militia and Defence fit and proper persons for appointment to commissions in the militia; and proposes fit and proper officers for promotion, for staff and other military appointments, and for military honours and rewards.
>
> 5. He is charged with the military education and training of the officers, non-commissioned officers and men of the active militia, including the supervision of the Royal Military College of Canada, and the several Royal Schools of Military Instruction throughout the Dominion.

He is charged with these things because parliament has seen fit to entrust them to him by that which is equivalent to an Act of parliament; and when the right hon. gentleman says that the General Officer Commanding is to be a mere automaton and is not to have the power of thinking for himself or of having any policy with regard to military affairs, he takes a position which cannot be supported by any one who is capable of understanding the language I have just read and bestows upon it one moment's thought or reflection. Is it pretended for one moment that the Minister of Militia is an expert in military affairs? Is it not often the case that the gentleman filling the political position of Minister of Militia is absolutely unacquainted with military affairs? Is such a gentleman to judge of all these things, and is the General Officer Commanding, invested with all these powers, responsible under the statute, to be a man without a policy, without the power to recommend? And if he does have the temerity to recommend, is the political officer above him to be at liberty to use his own discretion in suppressing the report? The Prime Minister takes the position that he is, and if I am doing him an injustice in that regard, will he be good enough to correct me?

Let me now deal with the question of this report which has been furnished to the House. But before doing so let me remark that certain newspapers in this country, which are supposed to be absolutely in the

confidence of the government, profess to have a remarkable acquaintance with the contents of that report. I do not know whether that has shocked my right hon. friend. He has been sometimes shocked at revelations of that kind in the House, but I have not observed him to manifest any indignation at the fact that a document of that kind, which is not proper to be submitted to parliament, is considered apparently proper to submit to his political friends outside the House. How is it that this was done ? Was it for the purpose of discrediting Lord Dundonald by conveying to the public what I venture to think will be found a misleading statement of his report, while at the same time denying to Lord Dundonald the right to put himself properly before the country by the production of that report, as he handed it in in the first instance ? I ask that question because it is a question that naturally occurs to one, under the very peculiar circumstances of the present time, when a ministry declines to place a document on the table of the House and allows their organs throughout the country to inform the people of its contents. This document, according to the Prime Minister, should be suppressed. It seems to me his argument went a little too far. Does my hon. friend take the position that every one of these reports to which he has referred to-day, including the report of the Department of Militia and Defence, could be suppressed by the minister in charge of the department, and that that minister would discharge his duty under the law to the House and the country by simply saying : I have had reports of the officers of my department, but in my discretion I did not see fit to publish them, and place them upon the table of the House as the report of his department ? My hon. friend says that the Minister of Militia was justified in withholding this report and for this reason. He referred to section 126 of the Militia Act, which says :

> All regulations made under this Act and the annual report of the state of the militia shall be laid before parliament by the Minister of Militia and Defence.

Who is to give the Minister of Militia that report upon the state of the militia? Who is his proper adviser under the statute ? I have read the statute which says that the General Officer Commanding is the proper adviser of the Minister of Militia and that he is charged with the conduct and discipline of the militia. Then if the Minister of Militia is to give a report to parliament upon the state of the militia, upon whose advice must he act, and whose report must he receive? He must receive and publish to parliament and the country the report of the General Officer Commanding. But my right hon. friend ventures to say that this report of Lord Dundonald was not a report on the state of the militia. Am I correct in that ?

Sir WILFRID LAURIER. I think the report of Lord Dundonald, so far as it went, as regards the state of the militia, was published. It was as regards his policy, that it was not published.

Mr. R. L. BORDEN. I would like to have something more than the thought of my right hon. friend. I would like to have an absolute statement. He has founded an argument upon it. He said that the Minister of Militia had a right to suppress this report because it did not come within the terms of this statute. That is what I understood him to say, if he said anything. Does he adhere to that?

Sir WILFRID LAURIER. If my hon. friend (Mr. R. L. Borden) cannot understand what I say, I am sorry for it. I stated that the Minister of Militia had put in his report that part of the document prepared by the General Officer Commanding which related to the state of the militia, but he refused to publish the part which suggested a policy.

Mr. R. L. BORDEN. I will try to understand my right hon. friend. That portion of the report which dealt with the state of the militia has been published and that part which dealt with the policy and a scheme of the defence has not been published.

Sir WILFRID LAURIER. I understand so.

Mr. R. L. BORDEN. Lord Dundonald does not so understand it and there is a direct issue between him and the government in that regard. I will read from Lord Dundonald's statement :

> One extremely serious case of interference was the suppression of the important parts of my first annual report on the militia. After studying the situation with great care, I came to certain conclusions and thought out a certain plan. For convenience of reference I divided my report for the year 1902 into two halves. Part I. was a simple diary of events. Part II. contained my description of the condition of the militia and an outline of a comprehensive scheme for reorganizing the force upon lines suitable to the country.

It contained, it will be observed, a comprehensive description of the condition of the militia. Now, the statute prescribes the minister to place before parliament annually a report of the state of the militia. And it appears from the statement of Lord Dundonald that that which the minister is required to place before parliament was placed in his hands by Lord Dundonald. Yet, the government, for some reason best known to themselves have seen fit to suppress it. There have been a great many reasons given for the suppression of this report. I have just dealt for a moment with one of them. And does not my right hon. friend (Sir Wilfrid Laurier) and do not hon. gentlemen in

this House think that there was some reason for receiving a report from the principal adviser of the government in that regard, when an hon. gentleman on the other side of the House, an expert in military affairs, the hon. member for Haldimand (Mr. A. T. Thomson) from his place in this House, last year described, in terms, I will venture to say, more scathing than any than Lord Dundonald had used, the condition of the militia in Canada. He said that the militia called out for annual training were intended to be a skeleton, but that from that they had diminished to a skeleton of a skeleton and now they had to come down to the condition where they could only be described as the shadow of a skeleton of a skeleton. When this is the condition, and when we have a report of the General Officer Commanding suppressed, and when we find that gentleman stating, as a man who has occupied high rank in the army and who has held a high position in Canada, that this report contained a description of the militia in Canada, and when we find that that very report required by law to be published is in fact suppressed, is there not some room, in the view of my right hon. friend for criticism in this House and in the country concerning the action of the government in that regard. Another reason advanced for the suppression of this document was that put forward by the Minister of Militia the other day—that the part suppressed had been marked 'private.' He intended to state by that remark,—as he explained later on, that it was inclosed in a letter marked 'private.' And it eventually transpired that, so far from the report being marked 'private,' Lord Dundonald did not so mark it and expressly desired that it should be published. The Minister of Militia made the argument, as he is entitled to do, if it is worth anything, that because this part of the report was included in a letter marked 'private' he was not at liberty to publish it. But, so far as that is concerned, he had Lord Dundonald's permission to publish it, even Lord Dundonald's request to publish it. And, further than that this very curious aspect of the matter is presented that the part of the report that was published was inclosed in the same letter as the other. So that if the reason given by the minister was a good one, then, according to his own argument he has committed a breach of confidence by publishing part I of that report. If this report described the condition of the militia as unsatisfactory in some respects, it might be inconvenient for the government to publish it. But is it not a proper thing that matters of this kind should be brought to the attention of parliament? As I have already said, can every report put in by a deputy head of a department be suppressed or set aside by the government simply for the reason that it may happen to contain something that is regarded as not advantageous, politically, to the gentlemen who happen to sit on the treasury benches. Suppose the Auditor General's Report contained something not exactly gratifying to the administration, would it be a proper thing for the administration to say that the suppression of publication of that report was a matter absolutely within their discretion? My right hon. friend referred to matters that are absolutely distinct, and yet, in his argument he has mixed those two things together. There is no doubt that there are documents which may properly be withheld from parliament. And with respect to these documents hon. gentlemen, whether on the government side or on the opposition side must always entrust a certain discretion to the government, must trust the good faith of the government in declaring to the House or parliament as a whole that reasons of public policy make it necesssary that information should be withheld for the present. That is the position that I am prepared to stand by as absolutely as my right hon. friend. But it is another thing for the government to arrogate to themselves the right, when they are not able to place before the House any reasons of public policy, to withhold from parliament documents such as those mentioned by my hon. friend from South Lanark (Mr. Haggart) to-day—for instance, a report prescribed by statute and conveying certain information, or a petition addressed to the Prime Minister praying the government to grant aid for an enterprise to be undertaken by a private corporation. These are not to be withheld from parliament, because there is no consideration of public policy which demands that they should be so withheld. Therefore, I say that, so far as the argument is concerned, the right hon. gentleman has based his argument not upon the considerations which apply to that, but absolutely on other matters and on other considerations. Then, we have the statement of Lord Dundonald that a portion of another report was suppressed, that portions of it were eliminated. I would like to ask my right hon. friend whether he thinks that the report of another officer, or any other document should be laid before this House in a mutilated condition without making it known to the House that certain portions of it had been eliminated? For example, is it the proper thing for the Minister of Inland Revenue to eliminate from the reports of his officers certain portions of those reports and then bring down these documents as if they were complete. My hon. friend the Minister of Finance (Mr. Fielding) took the ground—and it is one with which I would not coincide—in regard to a matter already debated in this House, that if documents of an official character were in possession of the government, the government were justified in denying that those documents existed. They are not justified in denying that they exist, but they are justified in stating that they exist

and also in stating their reasons of public policy why the documents are not brought down or brought down only in part. That is the course followed in the mother country. That is the course the government of this country followed in regard to the documents relating to the Alaska Boundary question. Because in that case we had it indicated by stars, in despatch after despatch, that certain portions were regarded as confidential and were therefore eliminated from the despatches as a whole.

That is the course which should have been pursued in regard to this report, if any portion of it was eliminated. Of course, if the General Officer Commanding took the report back and altered it himself that would not apply, but the General Officer Commanding states, whether rightly or wrongly I do not know, that not only did he do that, not only did he modify the report in accordance with the wishes of the Minister of Militia, but that after he had done that, whole paragraphs, and even whole pages, were withdrawn from the report without consultation with him, and the report, to the best of my knowledge, was brought down without stating those omissions.

My hon. friend from Lanark (Mr. Haggart) dealt with some other documents, about one or two of which I desire to say a word. He referred to what is known as the Blair memorandum. When Mr. Blair placed his resignation in the hands of His Excellency, and when the Prime Minister and Mr. Blair came down to make their explanations in parliament, I think, not merely in courtesy to the House, but in fairness to the House, that the full reasons for Mr. Blair's resignation should have been placed before the House. I took the opportunity of asking the Prime Minister several weeks ago whether or not there was any correspondence between this government and Mr. Blair other than that which was disclosed to this House at the time these explanations were given. My right hon. friend (Sir Wilfrid Laurier) on that occasion said that he did not know of any other correspondence, but would make inquiries and would inform me, but from that time up to the present I have not had the pleasure of receiving any intimation from the right hon. gentleman on that point, and I am inclined to think the letters themselves which have been brought down contain certain intrinsic evidences that they are not the only correspondence which took place between Mr. Blair and the government on that occasion. Let me say that it would have been a proper thing on that occasion for the Prime Minister to have informed the House, even if Mr. Blair did not see fit to do so, that the difficulty between Mr. Blair and the government was not only with regard to Mr. Blair's opposition to the policy proposed by the government, but was also due to the fact that Mr. Blair himself thought it necessary that the proposed National Transcontinental Railway should be built as a government undertaking. The document, to which reference has been made, set out Mr. Blair's views on that most fully. I concede at once that while that matter was being debated in Council the government were perfectly justified in holding that document from the country. It is not for the government, when matters are being discussed in Council, to disclose differences in the cabinet, differences which must always arise in any government and which must be settled as best they may. But when these differences have culminated in the resignation of a minister, and when the government and the minister resigning purport to convey to the House and the country the reasons for his resignation, I submit to my right hon. friend in all fairness that they were not treating the House and the country properly or in a constitutional way in stating to the House and the country only a portion of the reasons for that resignation and in withholding one of the principal reasons on account of which that resignation has taken place. There was no difficulty about bringing down Mr. Blair's memorandum. The formality of asking the Governor General might have been necessary, but that formality was just as easy with regard to this so-called memorandum as with regard to the letters which were produced and the explanations which were made in this House, and I venture to say, in terms of as mild criticism as I can use, that the government seem to me to have acted in a disingenuous way in withholding that document at the time when these explanations were made.

I shall not take up much time in reference to the Grand Trunk Pacific petition, which, as my right hon. friend has said, has already been dealt with in a previous debate. Let me, however, make just four statements with regard to it. First, it related to a public matter; secondly, it petitioned for public aid; thirdly, it was acted on; and fourthly, it was obviously disclosed to a gentleman who was put up to answer Mr. Blair in the debate on the Grand Trunk Pacific. There can be no doubt about that. My right hon. friend has stated in this House that he did not disclose that petition to the hon. member for North Norfolk. I stated then, and I state now, that I accept his assurance in that regard, but I tell him that if he wishes me to believe that some member of his cabinet did not disclose that document to the hon. member for North Norfolk (Mr. Charlton), if he wishes me to believe that the hon. member for North Norfolk (Mr. Charlton) was not made acquainted with the terms of that petition, then he asks me to believe something which my understanding absolutely forbids me to believe, because it is impossible that the hon. member for North Norfolk (Mr. Charlton), speaking as he did on this subject, could have quoted elaborately and exactly

the very terms of that document, if he had not been made acquainted with them at the time. We must not forget that this was a gentleman put up to speak as the government expert, pronounced by the Prime Minister to be the greatest authority on transportation in this parliament, and let me say that if that document was submitted to the hon. member for North Norfolk, however confidential it might have been in the first instance, the government, so long as it proposed to follow ordinary constitutional usage, was absolutely bound to place in the possession of every member of this House just as much information on that subject as was in the possession of the hon. member for North Norfolk. Otherwise, the government was treating this parliament with contempt, and did treat this parliament with contempt when it placed in the possession of that hon. gentleman, who was speaking for this government in that regard, information which they did not see fit to disclose to this House until at the end of a very long debate this year the Minister of Finance (Mr. Fielding) saw fit, for party purposes, and for party purposes alone, to read the whole document to this House. That is the constitutional usage with regard to it; and I am studiously avoiding any language that could possibly be regarded as too severe; I want to speak moderately, and to deal with the matter in the light of what I regard as the proper constitutional usage.

Let me here advert to another matter. A practice which is becoming very common with this government, the practice, while parliament is in session, of communicating to the public press, days before communication is made to parliament, documents respecting matters that have been discussed in parliament and that are of the greatest possible public interest. I stand as strongly as any one in this House for giving to the press the earliest possible information with regard to public matters, but I say it is a contempt of parliament to do as this government has repeatedly done, to give information to the government organs of this country, and to allow day after day to pass withholding that information from parliament, although it ought to be of the greatest possible interest to those who sit in this House. I refer to the matter of the Treadgold concession as an instance. My right hon. friend (Sir Wilfrid Laurier) will remember that we spent one or two days last year discussing that matter. We on this side contended that that concession should have been repealed, that it was an improper concession. A commission was eventually appointed, although its scope was not as full as we thought it should have been, yet when the government, acting upon some intimation from the commission, upon some information at least, first communicated to the organs of the government the fact that they had taken action, and had not even the courtesy to lay upon the table of this House a copy of the Order in Council cancelling this concession. The information that the government has so acted is communicated to the organs of the government, and the government has not even the courtesy to lay upon the table of this House a copy of the Order in Council. I do not think that is treating parliament with proper courtesy.

Sir WILFRID LAURIER. I must say to my hon. friend that in so far as his criticism goes, if his statement were a fact, I would agree with him altogether. Very often, I am sorry to say, information goes to the press and it is impossible to say how it goes to the press. In reference to this matter I saw in the press that this Order in Council had been cancelled but I cannot trace it up to any source. I may say, however, that it does not come from any authorized source.

Mr. R. L. BORDEN. I accept the assurance of my right. hon. friend. I naturally supposed that as this had been published the intimation had been given to the press by the government. My remarks in so far as that is concerned have no application in view of the right hon. gentleman's statement. But I may say here that if I searched my memory carefully I could find other occasions when the fault to which I have just adverted has been committed, by the government. There is just one other matter to which I wish to refer in connection with public documents and that is to the letters of Colonel Whitley to the hon. Minister of Agriculture. I suggested the other day that Colonel Whitley's request that these letters should be regarded as confidential might have been instigated by the Minister of Agriculture. The Minister of Agriculture has not contradicted that suggestion, I have every reason to believe that if Colonel Whitley did make that request to the hon. Minister of Agriculture there was the previous request of the hon. minister to Colonel Whitley that such communications should be made to him. But what had Colonel Whitley to do with it after all? Is not Colonel Whitley an officer of this government, paid by this country for the discharge of the duty which involved the writing of those letters and are those letters to be withheld from parliament simply because it suits the convenience of the hon. Minister of Agriculture and of Colonel Whitley to have them so withheld? They are from a subordinate officer of the government to the Minister of Agriculture who claims the right to Act as a public man, as a minister of the Crown in reference to a public matter. In what respect can they be confidential? They relate to the appointment of officers in the regiment referred to. Further than that my hon. friend from South Lanark (Mr. Haggart) produces an argument which was made only the other day in the House by the

hon. Minister of Militia and Defence (Sir Frederick Borden). He states what is very true that these letters are referred to in the letter brought down. One of the arguments of the hon. Minister of Militia the other day was that he had the right to ask Lord Dundonald to withdraw certain paragraphs from his report because those paragraphs related to documents not brought down, and he said to Lord Dundonald that if the report containing these allusions is placed before the House then the House will have absolute right to call for these documents. If that is a good argument in the mouth of the hon. Minister of Militia and Defence, is it not a good argument in the mouth of any other hon. gentleman in this House ? There are letters brought down containing an allusion to the letters from Colonel Whitley and if the argument of the hon. Minister of Militia and Defence, supported as it was to-day by the argument of my hon. friend from South Lanark, is correct then the production of these letters is in itself the best justification why this House can call for the documents referred to in these letters. Yet they are withheld from this Houes upon the mere pretense that they can be confidential.

Mr. Speaker, some reference has been made to-day by those who have spoken to the subordination of the military power to the civil power in this country and in fact the line of argument which is taken in a certain portion of the press has been followed, namely, that there was some attempt on the part of Lord Dundonald to impose what is called militarism on this country. That is the red herring if I may term it so. Let me say that I have found no evidence in any document that has been published or in any communication that has been made that shows Lord Dundonald in any such light. I am not dealing now with the question of his alleged insubordination at the banquet. If the argument which my right hon. friend the Prime Minister made a day or two ago were correct,—I do not think it is correct—every officer at the Dominion Rifle meeting this year for example who spoke in terms of commendation of the hon. Minister of Militia would be liable to immediate dismissal for so doing. That is what the argument of my hon. friend leads to. He quoted the regulation which only has reference to military discipline and to military officers and he applied that to the relations existing between the General Officer Commanding and the Minister of Militia and Defence. That regulation makes it just as much an offence for any officer to refer to his superior officer in terms of commendation as in terms of disapprobation ; therefore, hundreds of officers all over this country who have spoken flatteringly of the hon. Minister of Militia and Defence will be subject to dismissal if my right hon. friend's argument be correct. But, there is nothing in it. Those gentlemen were perfectly proper in uttering their commendations. They were not violating any military rule or regulation which had any application to the case. Indeed my right hon. friend has extended his argument a little farther than what I was suggesting, because his argument, if it means anything, means that the hon. Minister of Agriculture is the military superior officer of the General Officer Commanding and that the General Officer Commanding by reason of referring to the Minister of Agriculture is guilty of a breach of discipline toward his military superior officer and for that reason may be disciplined and dismissed. Well, I think that the argument need only be stated to refute itself and I will not deal further with it.

Lord Dundonald, as I understand it, has never sought to place the military power over the civil power. What he has sought to do is to prevent the interposition of the hon. Minister of Agriculture between himself and his subordinate officers and in doing that he is upholding the civil power itself, because it is the civil power of this country exercised through parliament which has declared that Lord Dundonald shall have certain duties and that his subordinate officers shall have certain duties. If the hon. Minister of Agriculture interferes with these subordinate officers in the performance of their duty it is he who is guilty of violating the constitutional rights of the people, and when Lord Dundonald protested against that interference of the hon. Minister of Agriculture it was Lord Dundonald who upheld the constitutional rights of the people of this country. My right hon. friend has been somewhat sensitive about the criticism made upon certain words which he used in this House in speaking them. I did not think them worth upon this subject. I have never alluded to alluding to and I was ready then as I am ready on all occasions to accept the right hon. gentleman's statement as to the word he intended to use and the manner in which he intended to use it. This is a courtesy which we owe to each other according to the rules of the House. But, my right hon. friend must not forget perhaps that he is not always so ready to extend a courtesy of that kind to hon. gentlemen on this side of the House. When I stood up in my place during this session and stated that a certain word, reported by 'Hansard' as having been used by me, had not been used by me and gave my word to the House as the fact, did I find my right hon. friend accepting that statement ?

No, I did not. I found my right hon. friend speaking in—well, in language that might be regarded as meaning that he was rather doubtful—in rather a discourteous way with regard to the incident ; so that I was compelled to write a letter to the chief of the

'Hansard' staff, and to produce evidence from the original notes of the shorthand writer in support of that word of mine which I thought might be accepted by my right hon. friend. Let not my right hon. friend be too sensitive unless he is prepared to be uniformly courteous himself. I said not one word about the expression which he used the other day. I do not propose to say anything about it except to make the allusion which I am now making. The right hon. gentleman must remember that he told us that he is not at all sensitive to criticism, when I called him in question for some words which he had used with regard to the hon. member for Toronto (Mr. Osler). He practically said then: I will use any language I see fit, and I will not shrink from criticism. But at the first breath of any strong criticism we find my right hon. friend a little excited, and we find him using very strong and very—well, very militant language towards those who may venture to criticise him. My right hon. friend has a perfect right to use any language he sees fit within the rules of this House, and others in the House and without the House have also the right to use such moderate criticism with regard to his language as they may deem proper. The right hon. gentleman referred only the other day to a great many illustrations of the use of the words 'stranger' and 'foreigner,' and indeed in speaking on the subject he said that he regarded Lord Dundonald as a stranger only to the eastern townships. It was only necessary to remind the House that Lord Dundonald was not himself doing this work in the eastern townships; it was the officers under Lord Dundonald who were doing the work there and they should have been left uninterfered with by the Minister of Agriculture. Lord Dundonald himself was not going to the eastern townships to make a selection of officers; he left that as the law directed to the officers whose duty it was to perform that service. I do not for one moment question my right hon. friend's assurance as to the sense in which he intended these words, and I for my part am always ready on this or any other occasion to accept his assurance on such a matter. Let me however quote to him, from that well of pure and undefiled English, a few words which may be of service in interpreting what the ordinary sense of such words is:

> Now, therefore, ye are no more strangers and foreigners, but fellow citizens with the saints. —Ephesians II., 19.

That is perhaps a pretty good illustration in which the three expressions 'strangers,' and 'foreigners' and 'fellow citizens' may be used. I am willing to accept the right hon. gentleman's assurance that he meant no suggestion to the contrary, but I do declare that notwithstanding any assurance to the contrary from any quarter, a man of the race and the birth of the Earl of Dundonald will always be regarded in Canada, not as a foreigner or a stranger, but as a fellow-citizen.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Amendment (Mr. Haggart) negatived, and House went into Committee of Supply.

Lighthouse and coast service—agencies, rents and contingencies, $25,000.

Hon. RAYMOND PREFONTAINE (Minister of Marine and Fisheries). This estimate includes the salaries, rent and expenses of the new agency recently established in Montreal. It is proposed to increase the salaries of the agents in British Columbia, New Brunswick and Prince Edward Island. The salary of the British Columbia agent is to be increased from $1,600 to $1,800. The agent, in addition to his ordinary duties, performs the duties of inspector of lighthouses and examines masters and mates for certificates, for which he is allowed $200 a year. The St. John agent receives $1,600, while his predecessor received $2,000; and it is proposed to increase his salary to $1,800. In Nova Scotia the agent's salary is $1,600. He is provided with a staff of assistants, and it is not proposed to increase his salary. The agent in Prince Edward Island receives $1,400. Besides his duty as agent, he inspects all the lighthouses. In Quebec the agent's salary is $2,200 a year, and he has a competent and efficient staff to assit him.

Mr. BLAIN. How many agencies are there altogether?

Mr. PREFONTAINE. One in Quebec, one in New Brunswick, one in Nova Scotia, one in Prince Edward Island, one in British Columbia, and a sub-marine agency at Montreal, established a year ago.

Mr. BLAIN. What amounts are paid for rent?

Mr. PREFONTAINE. I am informed that they are all government properties except the Montreal office, which is rented from a private estate and the rent is $2,000.

Mr. BLAIN. Has the same rent been paid for some years?

Mr. PREFONTAINE. In Montreal it is a new agency which was established a year ago, but we have aggregated into that office the pilots, the cabin space inspectors and the steamboat inspectors.

Maintenance and repairs to lighthouses, including the wages of the crews and maintenance of the Lurcher Shoal, and East Point, Anticosti lightships, $425,000.

Mr. PREFONTAINE. The increase is due to the extensive buoying of the St. Lawrence route and the maintenance of the gas

plants established at Quebec, Parry Sound and Halifax. There are 963 lighthouses, some of which require expensive repairs. Some are in such shape that practically new lighthouses have to be built. The average cost of the 963 lighthouses and fog alarms does not exceed $350 for maintenance and repairs. In British Columbia there has been a large addition to the number of aids to navigation. Provision is required for a number of new lights and fog alarms which are now under construction and aids to navigation recommended by the light-house board. Lately several light stations were destroyed by fire and have been rebuilt; and to prevent the possibility of destruction by fire, it is desirable that fire extinguishers of the latest pattern be placed in the different lighthouses and also that these houses be protected against lightning by the most improved lightening rods. This lighthouse service is increasing very fast. The shipping interests, since a number of years, have taken greater care to make the necessary presentation to the department and we have formed what is called a lighthouse board, which is composed of a certain number of officers of my department along with a couple of outsiders interested in shipping, who advise on the necessity of establishing certain lights and improved aids to navigation. The government thought that this was the best way of arriving at practical results and satisfying the public that our St. Lawrence route has become considerably improved. But all this costs a good deal of money.

Mr. SPROULE. Are the 963 lighthouses and fog alarms in the St. Lawrence or over the country as a whole ?

Mr. PREFONTAINE. From the Pacific to the Atlantic.

Mr. SPROULE. How many new lights established last year ?

Mr. PREFONTAINE. Above Montreal about half a dozen, below Montreal about ten, in the maritime provinces twenty-two, five in British Columbia and one in Prince Edward Island.

Mr. DANIEL. Are many changes contemplated in the lighthouse service for the Bay of Fundy ?

Mr. PREFONTAINE. I may as well give the complete list :

SUMMARY OF ESTIMATES FOR SYSTEM OF AIDS TO NAVIGATION.

1. New machinery required for existing fog-alarms	$175 00
2. Improvements in the powers and character of the lighthouses in the Dominion not specifically provided for the head of coast lights	100 00
3. Dominion lighthouse depot, Prescott, basin for government steamers, machine shop and tools	60 00
4. New optical apparatus and lanterns for coast lights	150 00
5. Gas pumping stations	50 00
6. Gas buoys, &c., St. Lawrence channel	100 00
7. Submarine bell signals	250 00
Total	$885 00

Mr. ALCORN. May I ask whether, in the case of lighthouses put up or re-built, the work has been done by tender ?

Mr. PREFONTAINE. By tender, except in certain cases where our officials did the work themselves.

Mr. ALCORN. With regard to the work on the lights on False Ducks, Lake Ontario, was that done by tender ?

Mr. PREFONTAINE. Yes.

Mr. ALCORN. Who were the tenderers, and for what sum ?

Mr. PREFONTAINE. I am not able to give the details at the moment, but I know that it was let by tender.

Mr. ALCORN. Will the hon. gentleman get the information and let me have it ?

Mr. PREFONTAINE. With pleasure.

Mr. ALCORN. And may I be permitted to refer to an item for a moment that has been passed—a portion of item 191, examination of masters and mates ?

Mr. PREFONTAINE. There is no objection.

Mr. DEPUTY SPEAKER. We surely cannot consider items that have been reported ; but the discussion can take place under item 192, with the consent of the committee.

Mr. ALCORN. Can the minister state what fees examiners of masters and mates are allowed to charge candidates who appear before them for examination ? I ask this because these candidates are put to considerable expense in advance to attend these examinations, and I am aware that fees varying largely in amount have in several instances been demanded of these candidates.

Mr. PREFONTAINE. The examination fee paid examiners by the department is $4 for each candidate examined. Candidates pay a fee which goes into the government chest according to the character of the certificate they require. For a certificate of competency as master $15 ; for a certificate of competency as mate of a sea going ship $8 ; for a certificate of competency as mate of a ship trading on inland or on minor waters, or on coasting vessels, $6. For a certificate of service as master, $8. For a certificate of service as mate of a sea-going ship, $5. For a certificate of service as mate for a ship on inland waters or Great Lakes, $4.

Mr. ALCORN. These candidates in many instances have to travel long distances to present themselves for examination, and they are also under expense through loss of time. Are there any instructions issued to examiners with respect to the conduct of examinations ?

Mr. PREFONTAINE. They get precise instructions as regards the examinations.

Mr. ALCORN. Will the hon. minister state the nature of the instructions ?

Mr. PREFONTAINE. It is the chairman of the board of examiners of masters and mates, Captain Salmon, who sends out the instructions or printed rules which are supplied to every examiner for circulation. Of course, I have not the instructions under my hand at the moment to lay before the House.

Mr. FOWLER. I understood the hon. member for Prince Edward (Mr. Alcorn) to say that these fees varied in amount. Is that the case ? Is there not a regular fee established by statute or by Order in Council ?

Mr. PREFONTAINE. The fees vary in amount as already stated. They are fixed by statute.

Mr. ALCORN. I am aware that fees of $12, $14 and $16 have been demanded and paid.

Mr. PREFONTAINE. I am not aware of anything of that kind. If the matter is brought to my notice I will look into it, and if there is anything wrong I will see that it is put right. No other fees should be charged than those I have mentioned as being fixed by statute.

Mr. FOWLER. How is this fee established, by Order in Council or by statute ?

Mr. PREFONTAINE. By statute.

Mr. ALCORN. Is there any official source where one can find these fees laid down ?

Mr. PREFONTAINE. I have not them here, but they can be produced, they are public. But speaking from memory I think they will be found in 57-58 Vic., Chap. 42.

Mr. ALCORN. Are these examiners paid by salary in addition to the fees by the department ?

Mr. PREFONTAINE. Some of them are paid by salary and others by fees, $4 for each candidate, but we are gradually coming to the rule of yearly salaries. Where an examiner is paid by salary he does not receive any fees.

Mr. FOWLER. When the examiner is paid a salary, the fees which he receives from candidates, I presume, go entirely to the receiver general ?

Mr. PREFONTAINE. Yes.

Mr. FOWLER. But when he is paid only by fees he puts in his own pocket the fee which he receives.

Mr. ALCORN. Do the instructions require that any specific time and place shall be assigned for the examination ? I ask this because my information is that certain of these examinations have been conducted most irregularly, in fact have been conducted in the most singular manner. I have heard of some of them taking place in bar-rooms, and others by way of conversation between the examiner and the candidate, while walking up and down between drinks. It is a most extraordinary state of affairs. I would suppose that there would be a certain time and place appointed that the candidates would be notified, and a formal examination of some kind held. My information is that in some places at all events, that is not done.

Mr. PREFONTAINE. This is the first intimation I have had of anything of this kind. I would be surprised if Capt. Salmon who is at the head of that department, should allow examinations to be held in that manner. If the hon. gentleman will make a specific charge or give me information that things of that kind have been done at a certain place, and date, I shall look into it. I have not been informed of anything of that kind having been done. I have never heard of any complaint of examinations being held in that manner.

Mr. FOWLER. Are there written as well as oral examinations ?

Mr. PREFONTAINE. Yes, both written and oral.

Mr. FOWLER. By whom are these examination papers read ?

Mr. PREFONTAINE. They are all read in the department.

Mr. FOWLER. Are they passed upon by a board or simply by one examiner, that is the written examinations ?

Mr. PREFONTAINE. In all cases first by one examiner, and then sent to the department and closely examined by the chairman of the board.

Mr. FOWLER. Where there is a board of examiners are these written answers to the questions passed upon by the whole board ? In the case of an examination for master especially, as it is important that these masters should be thoroughly conversant with their duties, it seems to me that it would be a safeguard if the papers were passed upon by more than one person.

Mr. ALCORN. Will the minister let me have a copy of the instructions issued to these examiners ?

Mr. PREFONTAINE. Oh, yes, we have printed instructions.

Mr. ALCORN. Do the examiners make any, and if so, what return to the depart-

ment of the result of the examiners and the fees which they receive ?

Mr. PREFONTAINE. The examinations are held by the examiners, and of course, are reported to the chairman, Captain Salmon. Captain Salmon examines the papers and no certificates are issued until he goes over the papers and returns are sent in monthly by the examiners.

Mr. ALCORN. In what form is the return to the department made ?

Mr. PREFONTAINE. All the papers are sent to the chairman, who files them on record ?

Mr. FOWLER. Does he make a return of the fees ?

Mr. PREFONTAINE. Of course at stated periods, say once every quarter the department sends to the Auditor General a statement in detail of certificates issued by the department since the last report sent him, and he is also referred to the deposit receipts sent him to cover the amount of revenue derived from the certificates.

Mr. SPROULE. Then I am correct in understanding that he makes a return of the fees, and the number examined, and if so, where can the information be seen ? If he makes a report of it the information must be somewhere in the department available for inspection.

Mr. PREFONTAINE. Oh, yes, there is no difficulty about that ; every certificate is numbered consecutively and they are all examined by the Auditor General when the account is rendered of the amount of fees received.

Mr. SPROULE. That is not what I meant at all. Is there any report we can pick up and find how many were examined and the fees that were paid ?

Mr. PREFONTAINE. In the report of the Department of Marine and Fisheries, Marine volume, you will find at page 109, appendix No. 7 :

Report of the chairman of the Board of Examiners of masters and mates.

There you will find a complete report of what has taken place during the season. It is signed by the chairman. At page 110 you will find a list of those who have been examined and the names of the different places at which they have been examined.

Mr. ALCORN. Are the fees remitted in case the candidate fails to pass his examination ?

Mr. PREFONTAINE. The money is not refunded ; it remains in the government chest.

Mr. FOWLER. Is the fee of the examiner the same whether the candidate is a master or a mate—$4 in each case ?

Mr. PREFONTAINE. Yes.

Mr. SPROULE. In this report I do not see anything about the fees paid.

Mr. PREFONTAINE. If the hon. gentleman will look at page 109 he will see that the following statement is given :

The total amount collected in fees from applicants for certificates, during the fiscal year ended June 30, 1903, was $5,790.50, and the amount expended on account of the service, as will be seen by Appendix No. 1 to this report, was $4,996.06, leaving a balance to this service of $794.44. The vote for this service was $5,000, and the sum expended to June 30, 1903, $4,996.06, leaving an unexpended balance of $3.94.

During the year, 468 certificates have been issued ; and 50 candidates have failed on examination to procure certificates.

Mr. ALCORN. Is this sum of $7,000 paid to the examiners in addition to the aggregate given by the report to which the hon. minister has just referred ?

Mr. PREFONTAINE. There are expenses connected with the examination of candidates. The examiners have to travel from one point to another. Besides the $4 which they get for the examination of each candidate they get their travelling expenses and the chairman's salary and travelling expenses are also included.

Mr. ALCORN. How many examiners are there in Ontario ?

Mr. PREFONTAINE. At Ottawa there is Captain R. C. W. MacCuaig, Captain McElhinney and Captain Magee ; Kingston, Captain Thos. Donnelly ; St. Catharines, Captain William McIlwaine and Captain G. T. Phillips.

Mr. BLAIN. Would the hon. minister give us an explanation as to the condition of the St. Lawrence river between Montreal and Quebec, and will he state whether he regards it as being well lighted now ? He made a general statement last year in connection with this subject saying that he hoped that by the 1st of November of last year to have the St. Lawrence between Montreal and Quebec so well lighted that it would be as safe by night as by day.

Mr. DEPUTY SPEAKER. If the hon. gentleman will wait until the next item is reached this question will be in order.

Mr. FOWLER. The item before the committee is 'maintenance and repairs to lighthouses.'

Mr. PREFONTAINE. No, we are at 'agencies, rent and contingencies.'

Mr. DEPUTY SPEAKER. The item before the committee is :

Maintenance and repairs to lighthouses, including the wages of crews, and maintenance of the Lurcher shoal, and East Point, Anticosti, lightships, $425,000.

Mr. FOWLER. I would like an explanation as to these rents.

Mr. PREFONTAINE. I think I have given an explanation of that. There is only one rent that we pay in Montreal, and that is for the new agency which was established there a year ago. The other agencies occupy government property.

Mr. FOWLER. What is the rent at Montreal ?

Mr. PREFONTAINE. $2,000.

Mr. FOWLER. Is there no building in Montreal belonging to the government ?

Mr. PREFONTAINE. None available.

Mr. TAYLOR. I would like to inquire if the light at Lindoe Island on the St. Lawrence at Fiddler's Elbow has been changed from an oil light to acetylene and when the new system was put in operation ?

Mr. PREFONTAINE. I am informed that it has been changed from oil to acetylene gas.

Mr. TAYLOR. Are you using acetylene gas there now ?

Mr. PREFONTAINE. I am so informed.

Mr. TAYLOR. I would like to read a letter to the hon. minister which I received to-day. It is addressed to Mr. John G. Wallace, lightkeeper at Lindoe Island and reads as follows :

Ottawa, 23rd June, 1904.

Sir,—I have to inform you that because of the light on Lindoe island, under your charge, being changed from a light burning oil to an automatic acetylene gas light, your services as lightkeeper are no longer required, and that owing to abolition of your office the Minister of Marine and Fisheries recommended to Council that you be placed on the retired list from the 1st July, 1904, with an annual allowance of $138, based on a service of twenty-three years and a salary of $300 per annum.

I have, therefore, to request you to so arrange matters as to be in a position to vacate the light station and give up possession thereof and of all government property under your charge to the department on the 1st proximo.

I am, sir,
Your obedient servant,
(Sgd.) F. GOURDEAU,
Deputy Minister of Marine and Fisheries.

Mr. John G. Wallace,
Lightkeeper
Lindoe Island,
Ivy Lea P.O., Ont.

On the 23rd June a servant who has given twenty-three years service to the department gets eight days notice to get out and is superannuated at the rate of $138 a year. I turned up the Act in reference to superannuation to see what provision it makes in such a case as this. This man has been paying into the superannuation fund for twenty-three years while he was in the service and is entitled to superannuation if his services are dispensed with. This is what the Act says :

If any person to whom this Act applies is removed from office in consequence of the abolition of his office for the purpose of improving the organization of the department to which he belongs, or is removed, or retired from office to promote efficiency or economy in the civil service, the Governor in Council may grant him such gratuity or superannuation allowance as will fairly compensate him for his loss of office, not exceeding such as he would have been entitled to if he had retired in consequence of permanent infirmity of body or mind, after adding ten years to his actual term of service.

I want to inquire of the hon. minister if he has complied with the Act? This man has been in the service for twenty-three years and the hon. minister must have removed him for economy or efficiency, and if so has he recommended that ten years be added to his term of service for superannuation purposes as it was the intention of the Act when the government cruelly forced a man out as they have done in this case? I would like to appeal to the government on behalf of this man and to point out that he is entitled to the consideration which the Act intends he shall receive and that he should have ten years added to the service he has performed for superannuation purposes. I would ask if it is the intention of the hon. minister to do this?

Mr. PREFONTAINE. I did not look into that point yet, but I am willing to do so. I do not think there has been any cruelty about the matter. I am informed that the man is quite able to do any work he may be called upon to do. I have had no report against him, but of course when we changed the system of lighting his office was abolished. He gets his pension, and if he is entitled to ten years addition to the time he has served I will certainly be favourable to looking into the matter and see that justice will be done.

Mr. TAYLOR. I certainly think he is entitled to it. It is true he is an able bodied man, but he should have more than eight days notice after being in the service of the government for so many years.

Mr. PREFONTAINE. We are not pushing him at all. He occupies forty acres of land, and we have not informed him that he had to give up the occupation of it. He has made no complaint to us.

Mr. TAYLOR. He got notice that his services are both dispensed with and that his salary would cease on the first of July. He was also told by letter to hand over the government property in his possession to Captain of the 'Scout.' I think that is taking him by the throat. I do not think that there is a man in this House or outside of it who if he had a faithful servant for 23 years

would discharge him on eight days notice. I do not think it is the intention of that Act that such a thing should be done.

Mr. PREFONTAINE. I am informed by my officers that this gentleman got notice last summer, that a change was contemplated, and that he should be prepared for it.

Mr. TAYLOR. No.

Mr. PREFONTAINE. He has never complained, in any way until now.

Mr. TAYLOR. He knew the change was coming, but seeing that he was on the superannuation list, and that he was able to perform his duties, he thought if any one were retained he would be. He never suspected that he would be dismissed and a man put in his place to look after half a dozen lights. I can tell the minister now, that if he does not employ more than one man to look after these lights among The Thousand Islands, there will be a serious accident some day. In the fly season the flies are attracted by the lights, and formerly the lighthouse keeper would have to clear them off half a dozen times a night. With one man in charge of half a dozen lights, 15 miles apart, he cannot attend to each of them. In the morning when you go to these lights you will find dead flies an inch deep fastened to the glass and practically obscuring the light. When I was in Prescott the other day the flies were as thick as a cloud. I can tell the minister that he will have to appoint another man to clear these lights as was done under the old system, and it would be much better in the public interest to retain the services of Mr. Wallace. I will accept the minister's statement in reference to Mr. Wallace. If any man ever was entitled to have ten years added to his superannuation Mr. Wallace is entitled to it. Then again, Mr. Acton was dismissed after fifteen years service; he is not on the superannuation list and he should be entitled to a better retiring allowance than he has received. It is the same with the other man who was there for three or four years.

Inspection of lighthouses and aids to navigation, $502,000.

Mr. PREFONTAINE. The extensive improvements authorized in the lighting of the Upper St. Lawrence, comprises the introduction of compressed acetylene instead of oil in lighthouses, and the use of acetylene for the buoy service instead of oil or Pintsch gas, and also the use, as far as possible, of range lights instead of single lights and gas buoys. The rearrangement of the existing system of lights will be considered as soon as possible by the lighthouse board which has been established. Last session, an estimate was given of the cost of converting the lighting of the river, and the apparatus needed procured from the Safety Car Heating and Lighting Company, of New York, as it was not made in Canada. Also provision was made for a suitable buoy depot at a central point on the river, between Dickinson's Landing and Prescott, where there should be ample store room space, dock room for steamers, and land for storage gas, can and spar buoys. The selection of a suitable depot was made at Prescott, and the department obtained an option on the property owned by John Labatt, of London, Ont. The price paid for the property including wharfs, buildings and land, $26,500. This location is an ideal place for a buoy depot, is centrally situated and will be the headquarters for assembling apparatus for the lighthouse service of the Dominion, and provision is being made for the manufacture of apparatus now purchased abroad. $35,000 was the sum estimated for the depot, but the department was able to make the purchase for $26,500. Last year $80,000 was placed in the estimates to provide for the construction of a lightship to be placed on Lurcher Shoal at the entrance of the Bay of Fundy. It was also found necessary in the interests of navigation that a lightship should be placed at the East Point of Anticosti. A contract was entered into with the Polson Iron Works of Toronto, to construct the two lightships for the sum of $179,500. I may say that at the time this amount of $502,000 was placed in the estimates, being the same amount as voted last year, the department had not at that time completed its policy in respect to aids to navigation for the next fiscal year. The lighthouse board is now passing upon a number of applications before the department which have been held over awaiting the organization of the board. These will comprise new lighthouses, fog alarms and buoys, but until the board completes its labours, it will not be possible to give an estimate of the amount that will be required for these new aids. The amount required for these aids together with the balance mentioned above, will appear in the supplementary estimates. The fog alarms of the Dominion comprise a very important class of aids to navigation and those in the St. Lawrence are especially important in view of the increase in number and tonnage of the ships utilizing the route. Provision will be made for the installation of the best machinery obtainable which will make the system second to none. The cost is estimated at $175,000. Complaints have been made in the past about the lighting of the St. Lawrence route, and the estimates provide for a sum of $50,000 which will be sufficient to install the most modern apparatus that can be obtained. When the improvements provided by this vote are carried out no further complaints should be made concerning the lighting of this important trade artery. As indicated above, the department had purchased a depot at Prescott, which will be utilized for the as-

sembly and manufacture of lighthouse apparatus for the Dominion. It is necessary that a basin should be provided for the government steamers, and that a machine shop should be erected for the manufacture of certain classes of apparatus not made in Canada. This will keep the larger proportion of the vote for this purpose within the country. The sum of $60,000 is required for this purpose, many of the lights in the lighthouses of the Dominion are neither powerful enough nor are their lights sufficiently charateristic, and it is necessary to take steps to remedy this state of affairs. This will be done by the substitution of gas for oil as the illuminant, thereby increasing the power of the lights and also permitting them to be made more characteristic. The sum of $100,000 is asked for this purpose, and it is estimated that it will provide for the conversion of about 300 lighthouses. The apparatus will be designed by the engineers of the department. The extension of the gas buoy system in the Quebec, Nova Scotia and Georgian Bay districts calls for the erection of three gas pumping stations. These will be located at Quebec, Halifax and Parry Sound, respectively. $50,000 was asked for this purpose. It is desirable to continue the lighting of the channel from Quebec to Sorel, which was commenced last year by the opening up of the Sorel-Montreal division, and which permitted night navigation between these two points. The arrangement has been of great benefit to the shipping interests, and has been appreciated by them. I may say, as regards the inauguration of the new lights between Montreal and Sorel, that they have been so successful that steamers have been able to leave Montreal during the night and navigate the whole distance of forty-five miles with perfect safety.

Mr. FOWLER. How much, in addition to this $502,000, does the hon. gentleman propose to ask for ?

Mr. PREFONTAINE. There will be a supplementary estimate of over $300,000 besides this.

Mr. FOWLER. Making nearly a million dollars. What portion of that is for the changing of the lights from oil to acetylene gas ?

Mr. PREFONTAINE. About $100,000 on the whole.

Mr. FOWLER. Before the department decided to make the change from oil to gas, what examination was made as to the relative value of the two lights ? Was there a commission or a board of competent persons to take the matter into consideration and report ?

Mr. PREFONTAINE. As I stated before, the study of this question was begun before I was in the department. The question was studied for two years. The value of the light was public property. It was known that it would be better if we could find the apparatus to work it properly. It has been adopted in France and in England, so that as regards the light itself there was no question. But as regards the apparatus, owing to our climatic conditions, we had to study and experiment. That was done by the officers of the department, the chief engineer and his assistants, and the result has been found to be perfectly satisfactory.

Mr. FOWLER. Has the report of these officers been presented to the department, so that it can be got at by any person who desires to see it ?

Mr. PREFONTAINE. There was no need of a special written report. The facts were there. The lights were being worked day by day, week by week and month by month, and the improvements were being put in operation according as the experiments were satisfactory or not.

Mr. FOWLER. It was only a question, then, of experimenting with the apparatus ? Where were these experiments conducted, and by whom, and was there any report in the department before the change was decided upon ?

Mr. PREFONTAINE. Some were conducted where the lights were placed and some in the stores at Ottawa.

Mr. FOWLER. I cannot understand why there should be a different apparatus required in this country from what there would be in England, for instance.

Mr. PREFONTAINE. If the hon. gentleman would come to the department and have a little conversation with some of the engineers he would be convinced very quickly why the experiment took such a long time. Some of these apparatus have to be tested at different temperatures. We were offered I do not know how many different patents and different sorts of machinery that would work satisfactorily at a certain temperature, but would not at another temperature. So we had to make a choice of the best equipment, and that is what the officers of the department did.

Mr. FOWLER. But the temperature of this country varies in the different seasons of the year. Do you change the apparatus with the season, as we change our clothing ?

Mr. PREFONTAINE. Some of these apparatus would work at 10 degrees below zero and some would not work at 25 degrees above zero, so that we had to take into consideration all these conditions and take the best apparatus. The generator which we are using works at 30 below zero.

Mr. FOWLER. Our temperature is sometimes lower than 30 below zero. Suppose it was 40 below, the apparatus would have

to go out of business. It seems to me that before so very large an expenditure is entered into as is necessitated by the change from oil to acetylene gas, there should be some authentic written report before the department and brought down by the minister to show the members of this committee what these experiments were and whether they cover the ground.

Mr. BLAIN. It seems to me that the hon. minister should give us a statement of the condition of the lighting on the River St. Lawrence. His predecessors some three years ago declared that with the money which was then voted the lighting system would be perfect, particularly between Quebec and Montreal. My hon. friend last year said he proposed to put the lighting system in the hands of a commission to report upon it. He pointed out what changes he proposed and what advantage these would be to the public. He proposed to have forty-two store holders constructed at a cost of $35,000, and forty gas automatic gas buoys at a cost of $12,000 and certain other improvements, making a total of $56,000. Has that work been gone on with, and was the estimate given last year sufficient to complete it ?

Mr. PREFONTAINE. These improvements have been made gradually. I have here a map showing which were made in 1903 and those proposed for 1904. The work completed in 1903 is in black, the work under construction is in green, and the work proposed is in red.

Mr. BLAIN. When will this be through ? It is the same old statement. My hon. friend has repeated almost word for word this year what he said last year with respect to lighting the St. Lawrence river. We should have an estimate of the total cost of relighting the St. Lawrence, if it is to be relighted. It seems to me that the hon. gentleman is adopting a piecemeal system of lighting. It would be very much more in the interests of the country if he would prepare a statement of the whole system and submit that to the committee.

Mr. PREFONTAINE. I said last year that we intended to perfect the aids to navigation as much as possible between Montreal and Sorel, some forty-five miles. The gas holders and gas buoys and the other improvements I mentioned have been done, and the shipping interests are perfectly satisfied that this portion of the St. Lawrence is perfectly equipped. I mentioned last year also that I proposed to improve aids to navigation from St. Francis to Le Platon, but I could not undertake to improve the balance before the channel was completed. We began this spring to improve these thirty-five miles. As regards the balance, it cannot be done for a year or two, because the work of dredging the channel and widening it and straightening the curves will not be finished before three or four years. It would be useless to install costly apparatus in a channel which is too narrow and which could not be used at night in safety. The result of the improvements we have made is that steamers can sail from Montreal to Sorel and from Sorel to Montreal at night in perfect safety, which they never thought of doing before. These gas holders and automatic gas buoys cannot be procured in this country at present, but we are trying to get manufacturers to make them. At present we are obliged to import them from Germany and they have to be ordered six or seven months in advance. When my hon. friend asks me to state when the St. Lawrence route will be in perfect condition as regards aids to navigation, he cannot be serious. Improvements are going on every day and will have to go on as long as that river is navigable. The first work on the channel between Montreal and Quebec was begun in 1850 or 1855. At that time the water on the St. Peters flats was from nine to ten feet deep. Now the depth is thirty feet and it is contemplated to have thirty-two at low water and a channel five hundred feet wide or at least four hundred and fifty feet.

Mr. FOWLER. What is the present width ?

Mr. PREFONTAINE. Five hundred in some places and in others three hundred and fifty, and we are going on increasing the depth so as to afford the shipping interests the necesssary facilities to navigate between the two ports. This work has been going on the last twenty-five or thirty years, but within the last ten years a good deal more has been accomplished than formerly. We are constantly in communication with the shipping interests, and I do not think that any board of shippers could find fault with what we have done. The only fault they might find is that we are not going fast enough, but others say we are going too fast. I myself think we are not going fast enough, but we are working according to our means and circumstances. As for the dredging, heavy expenses have been incurred by the Public Works Department to provide dredges. The Department of Public Works had antiquated dredges, dredges that could not go deeper than twenty-five feet, and that worked very slowly. All these difficulties could not be overcome in a year. The first point was the establishment of the shipyards at Sorel. For the proper working of these an efficient staff is required, and this cannot be provided at once for men have to be chosen and fitted for the special work they have to do. Though we are going faster and faster every year, we may not do all that the people expect of us. But I think that we have been doing the best that could be done under the circumstances.

Mr. FOWLER. So far as the expenditure of money on the St. Lawrence route is concerned, I do not think that any hon. gentleman on this side will object, so long as we can see a reasonable prospect of securing good results from that expenditure. I do, however, find reason to criticise the manner in which the minister has expended some of the money placed at his disposal. For my part, I think before he incurred the expenditure necessary for a change of lights so as to use acetylene gas, he should have had a report from competent persons as to the advisability of this step and as to the amount that would be required, so that he could give to the committee some idea of cost and the advantages to be gained by incurring that cost. For my part, I would not care if the vote were $2,000,000 instead of $1,000,000, if the corresponding benefit is to be had ; because one of the most important things we have to do in this country in connection with our transportation system is to improve the St. Lawrence route. The frequent occurrence of accidents imposes a very heavy tax on our shipping in the way of high insurance rates, and this is a great injury to our commerce. So far as we have evidence before us, I think it is far from clear that the expenditure under the hon. gentleman has always been made in the best interest of the country. If the experiments of which he has spoken have taken place there should be some report before this committee, so that we may be able to form some idea of their value.

Mr. RICHARDSON. Have the improvements on the St. Lawrence had any appreciable effect in reducing the rates of insurance, or, if not, is there any present prospect of a reduction ? This seems to be one of the heaviest burdens upon our commerce. It might be a matter of importance for the government to look into this question and see whether the insurance rates are based upon the actual statistics of the losses on the route or not. It may be worthy the consideration of the government whether the country should continue to submit to exorbitant insurance rates or whether we should take some step to form a Lloyd's Association for Canada.

Mr. PREFONTAINE. For the information of the hon. gentleman, I may repeat what I have stated here, that the improvements made and contemplated have had the effect of securing for the Canadian Pacific Railway Steamers—or Elder-Dempster Line —quite a reduction in the rate of insurance. Of course, there was probably not only that reason given at the time, but the reason that the Canadian Pacific Railway offered so much guarantee as regards the organization of their service. But the better precautions taken for the safety of vessels has had its effect in this direction. If I wanted to take the time of the committee, I could produce hundreds of letters from captains of steamers, resolutions from boards of trade, resolutions from shipping conference, and so on, endorsing everything done by the department, and even going in advance of the department and making suggestions for other improvements, I could read also an extract from the 'Shipping Gazette' and 'Lloyd's List' of the 15th January, 1904, stating in the plainest manner that the aids to navigation and the work going on were bringing about such good results that the time is not far distant when the reputation of the St. Lawrence route will be as good as the reputation of any other. The shipping interests have taken the matter in hand, and the suggestions they have made to the department have been accepted and we are trying to do the best we can under the circumstances.

As regards, what the hon. member for King's (Mr. Fowler) has said to the effect that there is no report before the committee of experiments made, I can only say that when I became head of the department these experiments in the direction of substituting acetylene gas for coal oil were going on. I put myself in communication with the officials who were conducting these experiments and, from day to day, I kept myself informed. I do not see what necessity there was for getting a report. The facts are there ; I have visited the places and examined into what was being done ; and, although I do not pretend to be an expert, the result has satisfied me that the experiments made have been successful and that the new system should be adopted in the public interest. And, as I have stated, the shipping interests are entirely in favour of these improvements, and demand their extension as rapidly as possible.

Mr. FOWLER. I may have been misinformed, but I understood that the Canadian Pacific Railway Company carried their own insurance on their ships. I remember that it was stated in the newspapers, when one of their vessels was lost, that it would be a total loss to the company.

Mr. PREFONTAINE. I think my hon. friend is talking about the Allan Line. The Allan Line does not insure.

Mr. FOWLER. No, this was the Canadian Pacific Railway. I believe that one of their boats became a total loss on her first trip under the new management and it was stated in the papers that it was an entire loss to the company because they carried the insurance themselves. In that way it would seem that the improvements in the St. Lawrence route have not succeeded in reducing the number of casualties. Judging from the newspaper reports I should say that there had been a larger number of accidents last year than in the three preceding years.

Mr. PREFONTAINE. The number of casualties has increased proportionately to

the increase of trade. The hon. gentleman has referred to the accident to the 'Montery' at St. Pierre and Miquelon. This was not in our waters ; it is on the St. Lawrence route, and is charged against that route, but the cause of the accident is well known. It was not at all owing to deficient aids to navigation as the accident occurred within the light of one of the largest lighthouses on the French shore, and their lights were quite superior to those which we have installed at the present time, although we expect in time to be in a position to have the best. The increase in the tonnage and in trade has caused these accidents. It stands to reason that with the competition that exists accidents will happen but these accidents are not due to want of aids to navigation.

Mr. SPROULE. They are due to bad pilotage in some instances.

Mr. PREFONTAINE. Sometimes to bad pilotage but sometimes the accidents occur outside of pilotage ground. We are in constant communication with the shipping interests on the other side and with shipping companies, and it has been shown that the reproaches to the St. Lawrence route were in many cases not well founded. We have been trying to re-establish the reputation of the St. Lawrence route, and the article which I cited from the 'Shipping Gazette' and 'Lloyd's List' is in that line. The article dated January 15, 1904, and is as follows :

Canada has gone ahead very rapidly during the past year, and Montreal, as the export centre of the Dominion, has unquestionably had its full share of the enhanced activity. In the 'Annual Review' which is issued by the Montreal 'Gazette,' it is stated that in the great staple products, the export business from Montreal during the season of navigation was larger than from any other port on the American continent, not excepting New York. 'No stronger evidence,' it is argued, 'of the cheapness, convenience, and advantage of the St. Lawrence route than this fact affords could well be given, nor can the end of the period of prosperity be yet discerned.' Notwithstanding, the year was not considered to be quite satisfactory by shipping men, and high rates of insurance on cargoes and hulls are mentioned as one of the causes. We are told, however, that it is possible to attach too much importance to this matter, and that, if insurance is the drawback it is represented to be, it is surprising that the established lines increase the traffic and that new ones spring up to compete with them. The real difficulty, it is suggested, is that keen competition has reduced the rates at Amercian ports to an abnormally low figure. On the other hand, it is frankly acknowledged that when freights are low the insurance question becomes of greater consequence. It would appear that the accidents on the St. Lawrence route were slightly heavier in 1903 than in the preceding year. Among the most serious were the total wreck of the 'Monterey,' and the disasters to the 'Norwegian' and the 'Manchester Trader.' But it is put forward that these accidents can hardly be ascribed to the danger of the route, since they have all been proved to be due to error in judgment or incompetency on the part of the navigators. It is claimed that, while the St. Lawrence route is a little more dangerous than any other, yet 'with a certain amount of care and alertness, all accidents might easily be avoided.' That is, perhaps, putting it rather high. No doubt carelessness has played a rather prominent part in certain St. Lawrence disasters, but insurance rates to a certain extent speak for themselves. Human judgment is probably no more fallible in the St. Lawrence than elsewhere, but aids to human judgment may possibly be numerous or less effective than in some other waters. Casualty, however, has happily not prevented Montreal's shipping from forging ahead. The total number of boats which arrived in the port was 797 last year, as against 758 in 1902. The net registered tonnage of 1,541,000 then recorded was last year exceeded by about 450,000 tons, the increase being largely due to the growth in size of the regular liners now engaged in Canadian trade. One of the main features of the year has, of course, been the acquisition of the Elder-Dempster and Beaver lines by the Canadian Pacific Railway Company. By the service now established it is possible to convey passengers and goods from English ports to Chinese ports without their quitting the company's property. It is recorded that the Canadian Pacific Company have so far come up to the requirements, inasmuch as they made little change from the Elder-Dempster policy. The Finska-Lloyd, running monthly from La Pallice-Rochelle to Montreal, is also described as a successful venture, and so, likewise, is the enterprise of the Canadian Ocean and Inland Company, which gives a service between inland ports of Canada and Europe. The older lines all show an advance, both in the number of voyages and in tonnage.

Mr. FOWLER. The minister stated that there were more accidents last year than the year before. He has also stated that the number of casualties has kept pace with the increased tonnage. That being the case, it would seem that all of these improvements have not brought about the desired end, which is that the St. Lawrence route shall be more safe by reason of these improvements than it has been in the past. The minister has also said that the number of accidents was occasioned not by any dangers of the route but by carelessness or lack of judgment on the part of those navigating the route. Does it not stand to reason that the same conditions of carelessness prevailed in previous years ? The minister has not stated that the men navigating the St. Lawrence route last year were less competent than the men who navigated it in 1902, 1901 or 1900. Therefore we must take it for granted that the accidents caused by carelessness or bad judgment on the part of those navigators was as great in those years as in 1903. That being the case it seems to me that all the money we have

expended in connection with the St. Lawrence route has not done away with the dangers of the route. I would like the minister to address himself to that phase of the question for a moment. We are anxious that a sufficient amount shall be expended to make the St. Lawrence route as safe as any route in the world. I would be glad if the hon. minister were in a position to convince the committee that the policy that his predecessor adopted before him is the right one and that it will bring about the end which we have in view; that is the real, bona fide improvement of the St. Lawrence route.

Mr. HENDERSON. I have been wondering after listening to the discussion for three-quarters of an hour whether there is any other navigable water in the Dominion of Canada than the St. Lawrence river, especially that part of it between Montreal and Sorel. We are asked to vote $500,000 for the erection of lighthouses and aids to navigation, but we have not heard a word about any expenditure that is to be made outside of the little preserve of the hon. Minister of Marine and Fisheries. It seems to me that the hon. gentleman should have given us some information as to why all this money is to be dumped into the St. Lawrence river, which seems to me to be simply a dumping ground for the cash of this country, and has been for a great many years without producing very many results. I am sorry to hear the minister say that it may be four or five years yet before he or those who may succeed him will be able to announce that the St. Lawrence river would be at all fit for navigation. We know at the present time that practically it is not, because only very recently a serious accident occurred just in the neighbourhood of where the hon. gentleman is spending this very large sum of money.

Mr. PREFONTAINE. What accident does the hon. gentleman allude to?

Mr. HENDERSON. I allude to the accident on the St. Lawrence about four weeks ago, where one vessel ran into another.

Mr. PREFONTAINE. That was a collision.

Mr. HENDERSON. Not in the light of day, but in the light of the illumination, I should say, that the hon. gentleman has been endeavouring to spread over the St. Lawrence for the purpose of protecting the lives and property of the people of Canada. Yet, in face of this occurrence, we are told that we have to wait some four or five years more before we will be able to escape catastrophies of that kind. But I desire to speak seriously upon this matter. I hope the hon. gentleman is not going to spend all his money in the upper St. Lawrence, between Montreal and Sorel, because there are other parts of the country that are entitled to receive some little consideration from the hon. gentleman. I am not going to ask very much of him, but I hope he will grant the little I do ask, and I trust at the same time that he will extend beyond even what I ask and give his careful attention to the regions to the west of Montreal, because there must be many parts of the country where lighthouses will be required. I believe that on the upper lakes, Lake Superior especially, he will find ample opportunity for spending money and improving the system to assist the enormous amount of navigation that is coursing through those waters. I presume the hon. minister has visited the St. Clair river at some time in his life. If he has not visited Sarnia within the last five or ten years, I would counsel him to pay a flying visit to that district and to sit down for about half an hour and watch the number of vessels which pass during that time. I am quite sure he would be astonished. I have heard it said that on that river, and I have not the slightest doubt but what it is quite true, there are more vessels passing through than there are practically crossing the Atlantic ocean. There is an enormous amount of navigation on the upper lakes and rivers, and yet it seems that all these waters are to be neglected for the sake of the improvement of the St. Lawrence river. I draw the hon. minister's attention to the fact that the navigation of the St. Lawrence is a mere trifle. It is a very small thing compared with the navigation of the upper lakes and the rivers connecting these lakes. I do not suppose it amounts to a tenth part—perhaps I may not be far astray when I say the twentieth part—of the navigation of these inland waters, and surely the hon. gentleman will be able to spare some of this $500,000 to give some attention to the lighting up of the rivers and lakes west of Montreal. But the particular item to which I desire to draw the attention of the hon. minister is one in which I am rather personally interested, and I think I need only mention it to bring it to the recollection of the hon. Minister of Marine and Fisheries. I say Minister of Marine and Fisheries, because the matter I refer to has more reference to fisheries than to marine. One year ago, after the hon. gentleman came into office, I drew his attention to the case in my own county of the little town of Bronte, where the government had been constructing a wharf and dredging out the mouth of the creek for the purpose of improving the harbour. I desire to remind him that in that neighbourhood, in Lake Ontario, adjacent to the town of Bronte, a very considerable amount of fishing is going on. It is the home of the Cisco herring. The fishery extends out ten or fifteen miles, and a very large amount of fishing is being done. Very frequently, in the late autumn, storms blow up on the lake and the fishermen, as on the Atlantic coast, are subjected to very great danger. Sometimes the men are caught out

in a storm while setting or taking in their nets, and on a dark night it is difficult for them to find their way back to port. I have asked the minister—and I am sorry to say that no action has been taken—if he could not take, say, $200 or $300—I do not think it would cost more than $200—to erect a skeleton lighthouse sufficiently high to place a light that will be seen for ten or fifteen miles out by the fishermen on a dark night. It need only be lighted for a comparatively small portion of the year, but it would be a guide to the fishermen in the darkness to a port of safety, and perhaps be the means of saving valuable lives. The expenditure would be small compared with the advantages that would be gained, and I am quite sure that the minister would not only confer a favour on these people, but that he would receive their hearty approbation and thanks if he would not allow this matter to drift along year after year, but if he would put somebody to work on this small job, and during the current summer, before the rough weather of the fall sets in, have a light erected there in order to give to these people the advantage which I have suggested.

I presume the minister will tell me that he does not want to erect a lighthouse until the pier is built. I think I can remove that difficulty. The minister can erect a light at the end of the pier so far as it has been completed, and if that be found an unsuitable location, and I do not think it will, it can be changed afterwards to the end of the pier when completed. Heretofore lights have been built upon the bank of the lake or the people have placed lights in their windows hoping that the fishermen would see them, so that I am sure a lighthouse erected at the present end of the pier would be an improvement. The construction of this wharf seems to be one of these interminable jobs that have a beginning and never have an end. It has been going on for four years, whereas if ordinary business sense had been applied the whole work including the lighthouse would have been constructed in one or two seasons, so that in the dark and stormy nights of the fall, the fishermen would be able to return thanks to him for the consideration shown for their welfare by providing this necessary essential to their operations. I appeal to the minister to be good enough to give this matter his immediate attention, and if he does I am sure it will be appreciated in that section of the country.

Mr. PREFONTAINE. I have given this matter all the attention it deserves. After the hon. gentleman spoke to me on this matter last session, the chief engineer of the department was sent up there in September and this is his report :

Report :

I have to report that in accordance with instructions I visited Bronte on the 19th inst., and put myself in communication with Mr. W. H. Speers, and in company with Mr. Speers, Dr. Bucke, ex-reeve of the township, the contractor for the breakwater, and other residents, I inspected the harbour, which is an artificial one, formed by building two cribwork breakwaters out into the lake from the mouth of Bronte creek. This small harbour is the headquarters of a large trade in ciscoes, but this year the fish have not struck in and consequently very little fishing has been done out of Bronte.

The breakwaters are not completed, and I find the feeling general that the work of establishing a lighthouse should be postponed until the completion of the breakwaters.

I consider this work can be allowed to stand over without any detriment to the interest of navigation.

WM. P. ANDERSON,
Chief engineer.

In the face of this report of the chief engineer I do not see what I could do, but of course I would be disposed to look into it again. I can put the matter before the lighthouse board, and if they decide that this light is more needed than others I will abide by their decision and erect it with great pleasure.

Mr. HENDERSON. When I represented the matter to the minister last year, he thought I had made out a very good case and he practically assured me that the light would be erected. I quite understand the purpose of these delays. The elections are coming on——

Mr. PREFONTAINE. Surely the hon. gentleman does not suspect the intention of the chief engineer ; surely he does not cast a doubt on the chief engineer's honesty and integrity.

Mr. HENDERSON. I will say nothing about the chief engineer, but so far as the minister is concerned I have not the slightest suspicion, because I am quite satisfied without suspecting. This lighthouse was promised in 1890 by the gentleman who opposed me in the riding——

Sir WILLIAM MULOCK. That would be under the Conservative government.

Mr. HENDERSON. I should have said in 1900, I am obliged to the Postmaster General for correcting me. I believe the Postmaster General spoke to these fishermen in Bronte, and while I do not know that he promised the light, his friend whom he took there did.

Sir WILLIAM MULOCK. I think I never had the honour of meeting the gentlemen of Bronte.

Mr. HENDERSON. The Postmaster General must have forgotten, and judging from his remarks yesterday he seeems to be very familiar with the question. There is no doubt that it was promised and promised for a purpose——

Sir WILFRID LAURIER. For the purpose of giving light.

Mr. HENDERSON. Not so much for the purpose of throwing light upon Bronte, as throwing light upon something else, and I may tell the minister that the purpose was accomplished. The people took the Liberal candidate at his word, and gave him their votes so that instead of having a majority of possibly fourteen, which the Liberal candidate formerly had he raised the majority to fifty. The people did their part, but I will not promise the Minister of Marine, that if he does not do his part the people will continue to do as they did before. I believe they will get out of patience and come to the conclusion that once or twice is often enough to be fooled in that way. I do not think the engineer has said that it would not be advisable to erect this light, but whether or not, I am satisfied that it is a very desirable thing to do. I have been in the village of Bronte on a dark stormy night, and I know that the utmost concern was felt for the safety of the poor men out in the lake who had no means of guiding themselves back to harbour. We are making provision here for lights on the Atlantic coast and other places, for their protection, and there is no reason why the important fishing station of Bronte should not be provided for too. I do not believe in making fish of one and flesh of another. This fishing industry at Bronte, spoken of so lightly by the engineer, is very much more extensive than he perhaps has knowledge of. I am not aware that it is decreasing. I agree that it varies from year to year, but at any rate a great number of people are fishermen, and they have their money invested in boats and nets. They make their livelihood out of fishing and they should be facilitated in their industry just as well as the fishermen on the Atlantic coast and down on the Bay of Fundy.

These fishermen do not get any bounty; they do not ask it; I do not say that they are entitled to it. But they contribute their share to the taxation of this country, and why should they not get something back in the shape of improvements which are very desirable and necessary? I was led to understand by the minister last year that this was something that was to be accomplished and I regret very much to hear the minister to-night throwing cold water on it, and bringing at this late date a report from his engineer discrediting the erection of this lighthouse. I do not ask for anything extravagant. I do not think it would cost a private individual over $200, and I do not think it would cost the government over $300. I invite the minister to look into the matter again, and I trust he will change his mind and give these people a little more kindly consideration than he has meted out to them in the past.

Mr. E. D. SMITH. There are some additional lights on the St. Lawrence between Montreal and Quebec, but very few additional stations. Will the minister explain how this is? What is the extra cost of putting additional lights at a station? Does it entail any extra men or any extra expense?

Mr. PREFONTAINE. There are different kinds of stations. There are lighthouses and fog or signal stations. There are no light stations between Montreal and Sorel, but there are forty-five additional gas buoys and some range lights and other lights that have been re-arranged in order to make the navigation perfectly safe during the night.

Mr. E. D. SMITH. Is the navigation so safe now that a vessel can go at night at full speed all the way through?

Mr. PREFONTAINE. Yes.

Mr. E. D. SMITH. I notice that in the report of some investigations into shipwrecks it is said that in one case the vessel was only going at the rate of four knots an hour, I take it in the day time. I notice in the pamphlet which the minister circulates, and which is very much like a campaign document, all the comparisons being between the year 1896 and the year 1903, that there has been an increase in the number of lights of 46, while there has only been an increase of four stations. There has been a decrease in the number of lightships of two. No increase in bomb signals, nine in 1903, the same as in 1896. Steam fog whistles two in each case, steam fog horns nine in each year, gas buoys ten in 1896—increased to twelve in 1903. Wooden buoys increase from 140 to 170, day beacons unchanged 59 in each case. Surely if the St. Lawrence was in such a bad shape seven years ago, the additional thirty wooden buoys and forty-six additional lights at the stations that were already there have not made very much improvement. I think this route requires a great deal more attention from the hon. minister than it has received. It is the outlet for more than half the goods exported from this country. Last year no less than $132,000,000 of goods passed down that route. It should be made so safe that there would be none of these casualties. The minister in his annual report shows that there were investigations into nine casualties along that route, while there were at least an equal number that were not investigated. In view of these facts, there must be something wrong with the route—not a sufficient number of lights or buoys properly placed. In one of the casualties it was stated that the buoys were out of place. What method does the minster take to see that the buoys are kept in place?

Mr. PREFONTAINE. Special officers are appointed to look after the buoys and keep them in place, and they are patrolling the St. Lawrence all the time. Sometimes it happens that a buoy gets out of place. It may be dragged by a boat that may have stranded near the buoy. As soon as this

is brought to the notice of the official in charge, if he is not himself on the spot, it is remedied. Such things will happen, and cannot be prevented. We have completed the lighting of the channel on both sides between Montreal and Sorel, and we are completing the balance. We are attending not only to the ocean route of the St. Lawrence, but also to the upper St. Lawrence, doing everything that has been asked by the Marine Association on the lakes. We are making these improvements as fast as we can get the apparatus and the material.

Mr. E. D. SMITH. I would like to ask the minister what power he exercises with regard to the southern points of Newfoundland.

Mr. PREFONTAINE. We have no power. All we can do in these foreign waters is draw the attention of the Home government to anything that is wrong. There are accidents charged to the St. Lawrence route which do not belong to it. Take the accident to the 'Monterey' on the coast of St. Pierre and Miquelon. Those islands are in the gulf of the St. Lawrence, but the accident took place within the range of one of the best lighthouses in the world. Could we be held responsible for that? Other accidents have happened for which the aids to navigation should not be blamed, but which were due to mistakes on the part of mariners and pilots.

Mr. E. D. SMITH. No doubt there are shipwrecks which are not due to the lack of aids to navigation, but the St. Lawrence route must compare unfavourably with that of New York, since the insurance rates are so much higher. I am of the opinion that our St. Lawrence route can be made almost, if not quite, as safe as the New York route, and the government would be justified in going to any reasonable expense to bring about that result. Has the minister investigated thoroughly the question of submarine signals? There are appliances which are claimed to be very effective for finding out the approach of other vessels or ice floes. What is the result of the investigation which the minister made on the coast of the United States?

Mr. PREFONTAINE. At present we are installing four stations of wireless telegraphy down in the gulf—the Marconi system. We have investigated on the sound between New York and Boston a new invention which is called the submarine bell signal. Examinations have been made from time to time for over three years of this invention. It has been recommended specially by the lighthouse board and all the shippping interests, but we have not yet adopted it. The question may come up later in the supplementaries if we can come to some satisfactory arrangement with the inventors. Besides these wireless stations we are providing new fog alarms to replace those which have become obsolete.

Mr. E. D. SMITH. What has the hon. gentleman done with regard to the pilots? Two, if not three of them were blamed entirely for certain accidents. I understand that the pilotage system on the St. Lawrence, has not been for years what it should be, and steps should be taken to make it perfect. No pilot should be allowed to take charge of a vessel unless he has a certificate.

Mr. PREFONTAINE. The hon. gentleman must know that the pilots are obliged to submit to an examination every year and they cannot get a branch before they have served a certain number of years as apprentice—seven years, I think. It is well known that during the past few years the present government have been trying to improve the pilotage system. An investigation into the whole system was made in 1897, and the recommendations of the commissioners were embodied in laws adopted by parliament from time to time since that date. I certainly am not open to any reproach for any neglect in that respect. When I took charge of the department, I put myself in communication with the pilots, and I had special means of knowing the conditions as I had been a harbour commissioner in Montreal during many years. I convinced the pilots that they could improve their methods and inspire greater confidence by organizing differently, and I induced them to renounce their allegiance to the harbour commissioners of Montreal, and accept entirely the direction and control of the Department of Marine and Fisheries, under certain rules and regulations which were approved by them. Since the opening of navigation, there has only been one accident on the St. Lawrence route, which could be attributable to the fault of the pilots, and that is the extraordinary accident which occurred three weeks ago, when a steamer of the Richelieu Company, the 'Canada' came into collision with the 'Cape Breton.' The investigation into this accident will begin Monday, and the responsibility be placed where it belongs. There were two accidents last year on the Saguenay river due to the fault of the pilots. A boat was stranded on the rocks in broad daylight, and this was not due to any lack of aids to navigation, but to the fault of the pilot, who did not know the Saguenay route.

Mr. E. D. SMITH. What sort of an examination did he pass?

Mr. PREFONTAINE. I do not control the examinations to which these pilots are submitted by the Quebec Harbour Commissioners. This particular pilot had served seven years apprenticeship and had been a pllot for quite a number of years. Unfortunately, the harbour commissioners of Quebec did not provide pilots for the Sa-

guenay that knew the river as they should know it. I have now taken over control of the pilotage for the Saguenay river, and hope to be able to provide pilots that have passed a special examination for that river. The fact is, we have been working on these improvements for every quarter where they have been found necessary, and we have been doing our best to inspire the confidence of the shipping interest. The result is that any improvement that we have made is received with nothing but praise by the shipping people.

Mr. BLAIN. Will the hon. minister explain the expenditure in connection with the lighting system in the harbour of Halifax ?

Mr. PREFONTAINE. I take it that the hon. gentleman (Mr. Blain) refers to the lightship. A lightship had been contracted for my predecessor, to be delivered, I think, in August. The ship was delivered a little late, but still it was installed last fall. This lightship was called the Lurcher, and was installed on the Lurcher shoal, always a difficult point and one for which this improvement has been asked for years and years. The installation of this lightship has given great satisfaction to the shipping interest.

Mr. BLAIN. I understand that there had also been the purchase of a wharf there ?

Mr. PREFONTAINE. We purchased a wharf at Dartmouth on the other side of the harbour from Halifax. It was purchased from Mr. George J. Troop. We wanted the property as a place to keep the oil, gas buoys and other things of that kind necessary in connection with the appliances for the safety of navigation in the waters of that section. We have not yet expended any money on the property itself, but, in the supplementary estimates we shall ask a little money to put the property in such a condition as to make it useful to the department.

Mr. BLAIN. The hon. gentleman did not state the price.

Mr. PREFONTAINE. I think it was $15,000. It was considered a very low price. The department was told that we could not get a property at that figure, but we managed to do it.

Mr. SPROULE. Have any of these gas lights been established in Georgian bay ? If not, how many is it contemplated to establish during the present year, and where are they to be ?

Mr. PREFONTAINE. Eight gas and one gas beacon.

Mr. SPROULE. Where ?

Mr. PREFONTAINE. On Kill Bear Point.

Mr. SPROULE. As I understand the minister's explanation this afternoon, the intention is to do away with the series of light keepers and establish acetylene gas lights.

Mr. PREFONTAINE. That is the intention. But we can only make these improvements as we get the necessary appliances. In order to carry on the work extensively on Georgian bay, we shall require a station somewhere about Parry Sound I do not know exactly where we shall choose the site—to keep apparatus, to prepare the gas buoys and gas, and keep the holders and carry on the work of changing them.

Mr. BLAIN. I suppose the hon. gentleman has estimated the cost of maintenance of the acetylene system as against the old system.

Mr. PREFONTAINE. I gave the figures the other night. They showed, I think, that the lights would be about thirty per cent cheaper and about five or six times more penetrating and with greater illuminating power.

Mr. DANIEL. What is the illuminant on the Lurcher lightship ?

Mr. PREFONTAINE. Electricity.

Mr. DANIEL. She has a dynamo aboard?

Mr. PREFONTAINE. Yes.

Mr. E. D. SMITH. In reading the reports of the commissioner in charge of the investigations into casualties, I find it indicated that the pilots were not well posted at all. For instance, in the investigation into the wreck of the 'Iberian,' Captain Salmon the commissioner says :

> The court is of the opinion that pilots should have a better knowledge of the compass and charts and steer by compass when the buoys are so far apart as to be invisible one from the other, instead of trusting entirely to shore marks, which in the present instance were ill-defined.

Mr. PREFONTAINE. The hon. gentleman (Mr. E. D. Smith) surely will not hold me responsible for pilots who were examined fifteen or twenty years ago. I am trying to improve the system as I have already had the honour to state. It is true that this is one of the points to which attention has been drawn by Captain Salmon, and we are trying to improve the examinations for pilots. For instance, this year the examination we have given the pilots to pass is most severe, so as to make sure that only those are appointed who are able to render the services we expect from them, and to inspire the confidence of the people. But surely I cannot be held responsible for pilots passed under insufficient examination by the harbour commissioners of Quebec or of Montreal or of Halifax. They were not under my control as those at Montreal and the Saguenay are at the present time. The others are not directly under my control and I cannot reach them except by amending the law. And surely hon. gen-

tlemen opposite will grant me the necessary time to have these laws passed. This year I have had a couple of amendments put through, and I have others to propose. But these things must be done gradually. You have to deal with a body of people who have been left, to a certain extent, independent and, of course, there is always a good deal of difficulty in reaching them, and it is impossible to reach them at once—it takes time. Formerly, for instance, candidates were not examined as regards their sight or hearing, and in other respects the examination was very poor. We have changed that as regards the pilots of Montreal and we are trying to do the same thing with regard to the rest of the Dominion wherever we can arrive at an improvement.

Mr. E. D. SMITH. I would suggest that the authority seems to be very much divided. The Minister of Marine has under his care only a portion of the pilots. The harbour commissioners of Quebec seem to have control of some of them. I think this parliament would be very glad to allow the minister opportunity to bring in amendments of the law so as to take under his care the whole of these pilots.

Mr. PREFONTAINE. I suppose the hon gentleman will consult my hon. friend from Montmorency (Mr. Casgrain) in the matter because he is the defender of the pilots and will have to take care of them. I am going as fast as I can, and some think I am going too fast, but I am doing the best I can.

Mr. E. D. SMITH. In case the minister amends the Act, would he suggest that these old pilots, who were examined fifteen years ago, will have to pass a new examination ?

Mr. PREFONTAINE. By all means.

Salaries of temporary officers, engineers and draughtsmen at Ottawa, at rates exceeding $400 per annum, notwithstanding anything in the Civil Service Act, $12,000.

Mr. SPROULE. There is an increase over last year of $2,500.

Mr. PREFONTAINE. On account of the expansion of the department and the construction of new lights, the department has had to employ additional draughtsmen, and for that reason the amount is increased.

Mr. SPROULE. Will the minister give us the details ?

Mr. PREFONTAINE. This increase goes to temporary clerks, draughtsmen, &c. This was as follows :

	Per annum.
H. E. Fosbery, draughtsmen	$ 850
J. W. C. Roberts "	840
W. C. Surtees "	800
J. F. Murphy "	750
F. J. Alexander, engineer and draughtsman	1,200
E. C. Larose, engineer and draughtsman	$ 1,200
Esther Edmonds, stenographer and clerk	500
Agnes O'Connor, stenographer and clerk	500
J. L. Burnand, stenographer and clerk	550
Mildred LaFleur, stenographer and clerk	500
Bessie Blount, stenographer and clerk	500
L. F. Gorman, stenographer and clerk	600
Ido Têtu, stenographer and clerk	550
H. Tremblay " "	700
R. Frechette " "	720
	$10,760

Then there is Mr. J. R. Boudreau, $1,200 ; and Mr. J. Rochon, $500, which brings the amount up to $12,460.

Mr. TAYLOR. How many of these are new men last year ?

Mr. PREFONTAINE. They change to some extent. Sometimes they think that they will improve their situation and they leave the department and we replace them by others, and do the best we can under the circumstances. I think there are four new ones.

Mr. TAYLOR. That is a heavy increase for one year.

To provide for wireless stations at Point Amour, Heath Point, Anticosti, Fame Point, Cape Race, Belle Isle and Sable island, $25,000.

Mr. TAYLOR. Has this money been spent ?

Mr. PREFONTAINE. No, part of it is being spent at the present time. I think that by the 15th of August the four stations will be installed.

Mr. TAYLOR. What is the total cost of one of these stations ?

Mr. PREFONTAINE. About $5,000. We have to provide a boat with a crew to carry the material and workmen.

Mr. TAYLOR. $25,000 was voted last year. Was that spent ?

Mr. PREFONTAINE. No, that was returned. The operation of the Fame Point station began on June 9th. The test has proven that it is a complete success. Communication was maintained at a distance of 65 miles up and down with the 'Parisian.' It takes about fourteen days to establish a station, and the work is now going on. The contract made with the Marconi Company is that if it is a success they are to be paid, if it is not we pay nothing except the expenditure which we incur in carrying material and men to the different stations.

Mr. SPROULE. How many stations are there now ?

Mr. PREFONTAINE. We have only one established at the present time, but the contract is for four stations. However, we intend to establish more. We intend to establish a station on Sable island, one at Sydney, one at Fame Point, one at Cape Race and one at Belle Isle.

Mr. E. D. SMITH. Are most of the ocean liners coming into Montreal fitted with wireless telegraphy apparatus, so that they can communicate with these stations ?

Mr. PREFONTAINE. Three of the lines, the Allan Line, the Elder-Dempster Line and the Beaver Line are fitted with the apparatus, the other lines are coming in and installing the apparatus.

Mr. SPROULE. Does the minister intend to establish a station at each of these points ?

Mr. PREFONTAINE. Yes.

Mr. SPROULE. There are seven stations then, not four.

Mr. PREFONTAINE. We have contracted only for four, but we intend to establish more.

Mr. SPROULE. Then I am correct in understanding that $25,000 is sufficient to provide for the seven stations ?

Mr. PREFONTAINE. No, not for the seven. I do not think we will have time to establish that number before the vote lapses. We will have to provide in the supplementary estimates for a further sum, deducting whatever has not been expended out of this sum.

To provide for the expenses of the Montreal Pilot Commissioner's Court, $2,000.

Mr. BLAIN. How many cases were tried by this court last year ?

Mr. PREFONTAINE. I think there have been two or three cases tried by this commissioner.

Mr. BLAIN. What is the nature of the cases ?

Mr. PREFONTAINE. $18,000 was expended last year for investigations which took place through this commissioner in Montreal.

Mr. DANIEL. Would the minister state the number of casualties and wrecks that took place in Canadian waters ? The report gives the details of those that occurred in the Gulf of St. Lawrence only, and simply gives the total number of those that occurred in Canadian waters. Where can one ascertain the particulars of those wrecks that occurred in Canadian waters, but not in the Gulf of St. Lawrence ?

Mr. PREFONTAINE. Every wreck that was investigated is mentioned in the report, but those that take place outside of Canadian waters are not investigated.

Mr. DANIEL. I am speaking of those that did occur in Canadian waters, but not in the Gulf of St. Lawrence or the St. Lawrence river.

Mr. PREFONTAINE. On pages 86 to 93 of the report of the department the hon. gentleman will find a complete report of the investigations into wrecks.

Mr. DANIEL. Those investigations, I take it, refer to those casualties that occurred in the Gulf of St. Lawrence and from that out.

Mr. PREFONTAINE. Every place where there is a casualty.

Mr. DANIEL. This refers to the investigations that were held ; was an investigation held into every wreck that occurred ?

Mr. PREFONTAINE. An investigation was held into every wreck where we had jurisdiction. That was the demand made by the different boards of trade throughout the country.

Repairs to wharfs, $3,000.

Mr. FOWLER. Where are these wharfs located ?

Mr. PREFONTAINE. Small sums are spent by the department in repairing wharfs situated in different parts of the country which are under the control of the department not exceeding $15.

Scientific institutions and hydrographic surveys, magnetic observatory, $2,700.

Mr. SPROULE. Where is that ?

Mr. PREFONTAINE. At Agincourt, near Toronto.

Hydrographic surveys, $35,000.

Mr. SPROULE. Is the hydrographic survey being continued on Lake Superior ?

Mr. PREFONTAINE. Yes.

Mr. SPROULE. How long do you expect it will take the department to complete the work up there ?

Mr. PREFONTAINE. It is pretty hard for me to say. I am taking over the hydrographic survey work of the Department of Railways and Canals and Department of Public Works. I am organizing these surveys in such a way as to be in a position within the next five or six months to know exactly how long it will take to complete what has been undertaken. There is work that has been done for the last five years on certain rivers and lakes but the charts have not been published. This is a service that will have to be completely organized. I suppose the work in the Lake Superior region will be completed in a year from now. I do not say that the charts will be completed but

we will be able to have them published as soon as their preparation is completed. We have been asked to survey large lakes in different parts of the country. Of course we will do that gradually as the expansion of the country goes on. We will take the Ottawa river this year because a hydrographic survey of the Ottawa river has never been properly made. The navigators on the Ottawa river are very anxious to get a chart of that river.

Mr. SPROULE. Where were you operating last year ?

Mr. PREFONTAINE. On Lake Superior.

Mr. SPROULE. Lake Superior is a large lake.

Mr. PREFONTAINE. Near Port Arthur.

Mr. SPROULE. Do you intend to start another party to survey the St. Lawrence and allow the work to go on on Lake Superior as you have been doing for some years past ?

Mr. PREFONTAINE. Oh, of course.

Marine hospitals—care of sick seamen in the marine hospitals in the maritime provinces and repairs to marine hospitals, $50,000.

Mr. SPROULE. Are these confined to the maritime provinces ?

Mr. PREFONTAINE. No, in other places we make arrangements with the local hospitals by which seamen are taken care of at a certain price.

Mr. SPROULE. You pay so much per capita ?

Mr. PREFONTAINE. Yes.

Mr. DANIEL. What is the expense entailed for attending sick mariners in the harbour of St. John and how are they attended ? I notice that the department have collected in sick mariner's dues over $6,000 at that port and I would like to know how much was expended in looking after the sick mariners ?

Mr. PREFONTAINE. There was collected at St. John, $6,466 and in the province of New Brunswick 428 sick seamen were treated. I have not the figures showing how much it cost. If they are treated at the hospital they are charged at ninety cents per day. We collect a good deal more than we pay and that is a very live question. It was brought up last year but there was no decision arrived at. Surely we will have to come to some understanding with the shipping people so that they may take care of their own seamen as is done in other countries. It is my opinion that they should, although I do not know whether that opinion will be endorsed by the government.

Mr. DANIEL. I would like to ask the hon. minister whether the amount paid to the hospital for each sick sailor per day has been increased from ninety cents per day ?

Mr. PREFONTAINE. We are going to put it at the same rate as in Montreal, where it is $1.20 per day.

Mr. DANIEL. When will that increase commence ?

Mr. PREFONTAINE. On the 1st July.

Steamboat inspection—inspector of Dominion steamers and fog-alarms, $1,700.

Mr. E. D. SMITH. I would like to ask the hon. minister how long this gentleman has been in this position as inspector of Dominion steamers and fog alarms ?

Mr. PREFONTAINE. About twenty years.

Mr. E. D. SMITH. It would seem from the report of the investigations into the shipwrecks that he has not been looking very carefully after the requirements of the route. With regard to the stranding of the barque 'Sardhana' the report states with reference to the aids to navigation :

The fog system at Pointe des Monts is insufficient ; the evidence of various witnesses goes to show that it was impossible to hear the fog signal even after the vessel stranded.

Mr. PREFONTAINE. It is on the recommendation of Mr. Stephens and the chief engineer that we have decided to incur this heavy expenditure to improve the fog alarms. The old machinery was good, but it was not strong enough, and as the changing involved a large expenditure, and as other things were more pressing, the department did not go on with the expenditure but we have decided to do so now.

Mr. E. D. SMITH. The minister cannot spend money on any service in the Dominion where it is more needed.

Mr. PREFONTAINE. Give me a chance ; I am well disposed.

Mr. E. D. SMITH. The department is spending a great deal more money now than formerly, and I regret that there has not been a corresponding increase in the efficiency of the service. I would urge on the minister to devote all his energies to perfecting the route and making it as safe as possible.

Mr. PREFONTAINE. You may be sure I will.

Some resolutions reported.

Mr. FIELDING moved the adjournment of the House.

Mr. SPROULE. What business will be taken up to-morrow ?

Mr. FIELDING. I understand the Minister of Marine and Fisheries will be absent.

Sir WILLIAM MULOCK. I have a few small supplementary items, which will not

take much time, but I would like to dispose of them to-morrow, as it is the end of the year.

Mr. FIELDING. I think the Minister of the Interior will follow the Postmaster General.

Mr. TAYLOR. It was promised that we would not sit after six o'clock to-morrow, if we made progress and we have made excellent progress to-night.

Mr. FIELDING. There was some impression of that kind in the mind of the Prime Minister, but we will leave it until to-morrrow. I do not say nay, to the proposal.

Mr. TAYLOR. It would be convenient for many members to know if they could get away by the seven o'clock train.

Mr. FIELDING. I think that is the way the matter will eventuate, but I would prefer the Prime Minister to make the statement when the House opens.

Motion agreed to, and House adjourned at 11.12 p.m.

HOUSE OF COMMONS.

THURSDAY, June 30, 1904.

The SPEAKER took the Chair at Three o'clock.

NORTHERN BANK.

Mr. SCOTT moved that Bill (No. 146) respecting the Northern Bank be placed on the Orders of the Day for the second reading on Monday next, the 4th of July.

Motion agreed to.

THOROLD AND LAKE ERIE RAILWAY COMPANY.

Mr. GERMAN moved for leave to present a petition for the passing of an Act to amend Bill (No. 61), passed this session to incorporate the Thorold and Lake Erie Railway Company. He said: There were two or three mistakes in the Bill in the names of the incorporators, and the word 'navigation' is printed 'transportation.' This Bill is to correct these clerical errors.

Mr. SPROULE. Could not the Bill be amended without introducing a new one?

Mr. GERMAN. I mentioned the matter to the Clerk of the House, and he suggested that this would be the proper way to make the corrections.

Mr. FITZPATRICK. Send the petition to the Committee on Standing Orders.

Mr. GERMAN. I beg leave to move that the petition be referred to the Committee on Standing Orders.

Motion agreed to.

Sir WILLIAM MULOCK.

NATURALIZATION AND ALIENS.

Hon. CHAS. FITZPATRICK (Minister of Justice) moved first reading of Bill (No. 147) to amend the Acts relating to Naturalization of Aliens. He said: This Bill will apply exclusively to the province of Quebec, and is designed to meet a difficulty which exists there. In that province applications for naturalization must be made to a judge of the circuit court of the district in which the alien resides. But the circuit court of a district travels from place to place, and the question has arisen whether or not the applications must be made to the court sitting in the chief place of the county. It is a trifling matter, and I cannot understand how the difficulty has arisen, but probably some clerk of the court wants to avoid difficulty, and I am asked to make the point clear.

Motion agreed to, and Bill read the first time.

QUESTIONS.

INTERCOLONIAL RAILWAY EMPLOYEES.

Mr. KENDALL—by Mr. Calvert—asked:

1. What are the names of the employees on the Intercolonial Railway, including the Prince Edward Island Railway, who have been killed during the last ten years?

2. What are the names of the employees on the Intercolonial Railway who have lost limbs, or who have been otherwise permanently incapacitated, by accident, during the last ten years?

3. Whose relatives, if any, of the above have received compensation for death; and what amount in each case?

4. Who have received compensation for injury resulting in permanent disability; and what amount in each case?

5. What amounts have been paid by the government to representatives of persons killed on duty in the postal service?

Hon. Sir WILLIAM MULOCK (Postmaster General):

1, 2, 3 and 4 relate to the Department of Railways and Canals.

5. A. C. Edgecombe, employed on the Intercolonial Railway, killed 26th January, 1897, at Palmer's Pond. Payment of $2,000 to family granted in 1897.

J. O'Connor, employed on Grand Trunk Railway, injured in collison near Thornhill, Ontario, 25th January, 1886; superannuated 1st September, 1895, never having fully recovered. Died shortly afterwards. Payment of $2,000 made in 1899.

J. Campbell, employed on Canadian Pacific Railway, killed 23rd February, 1899, at Boyd's Mills, Maine Central Railway. Payment made in 1900.

W. Starkie killed at Moosehead Lake, Maine Central Railway, July 2nd, 1894. Payment made in 1901.

Hon. H. R. EMMERSON (Minister of Railways and Canals. That portion of the ques-

tion relating to the Railway Department. cannot be answered except in the shape of a return as it would take quires of paper to cover the information.

IRON AND STEEL BOUNTIES.

Mr. KENDALL—by Mr. Calvert—asked :

What amounts in the form of bounties have been paid by the government month by month to the Dominion Iron and Steel Company since it began the manufacture of iron and steel.

Right Hon. Sir RICHARD CARTWRIGHT (Minister of Trade and Commerce) :

Statement to an inquiry of the ministry as to the amounts paid by the government month by month to the Dominion Iron and Steel Company, Limited, as far as the Department of Trade and Commerce is concerned :

1901.	
October	$ 90,588 50
November	32,552 15
December	38,344 34
1902.	
February	34,416 06
March	22,000 00
July	100,000 00
August	30,000 00
1903.	
January	543,931 88
April	150,000 00
June	192,031 61
August	75,016 14
September	96,371 96
October	42,103 63
November	47,020 94
December	65,907 72
1904.	
January	31,996 20
February	20,792 24
March	32,330 03
April	35 023 01
May	41,130 50
	$1,721,556 91

POSTMASTER AT MAYNOOTH.

Mr. PORTER asked :

1. Has the postmaster at Maynooth, county of Hastings, been dismissed.

2. If so, has his successor been appointed ? What is his name, and upon what recommendawas he so appointed ?

3. What was the cause of the dismissal? Was there any investigation ? And if so, upon whose complaint ; and when, where, and by whom was such investigation held ; and what was the report, if any, made thereon, and when was it made ?

Hon. Sir WILLIAM MULOCK (Postmaster General). The management of the Maynooth post office under the late postmaster was extremely unsatisfactory owing to continuous carelessness in the handling of mail matter and in the general management of the office. Not only was this the case in respect of unregistered but also of registered letters, serious delays occurring in their delivery. Numerous complaints because of such irregularities were made on behalf of patrons, but nevertheless the irregularities instead of being remedied were allowed to continue without any abatement. The postmaster himself gave little or no attention to the office leaving its management to the clerks, who were constantly changing, and who continued to make mistakes, frequently delivering mail matter to the wrong persons and making other mistakes. An official investigation was held which showed the management to be as above mentioned and in consequence a change was made in the postmastership, Mr. James Haryett being appointed postmaster.

DOMINION DAY ADJOURNMENT.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister) moved :

That when the House is adjourned this day, Thursday, it stand adjourned until Monday next at Eleven o'clock a.m.

Mr. T. S. SPROULE. I would suggest to the right hon. First Minister (Sir Wilfrid Laurier) that the resolution should be amended so as to read three o'clock on Monday. Monday being the first working day of the week there will be very few members in attendance in the forenoon, and those who will be absent would naturally desire to be here when the work of the House goes on. It has been suggested to me by several that if we commence the morning sittings on Tuesday, it will be quite satisfactory, but to commence them on Monday would hardly be so, as they cannot be here in time. The leader of the opposition (Mr. R. L. Borden) himself will not be here until the afternoon.

Sir WILFRID LAURIER. I will ask leave to amend my motion in accordance with the suggestion of the hon. member for East Grey (Mr. Sproule).

Motion as amended agreed to.

BUSINESS OF THE HOUSE—MORNING SITTINGS.

Right Hon. Sir WILFRID LAURIER (Prime Minister). As will be seen by the order paper, I have given notice of motion for morning sittings commencing on Monday next, but, in accordance with the resolution just passed, I must ask leave to amend that so as to read Tuesday next. I move :

That commencing with Tuesday next, and until the end of the session, the House shall meet on that day, and on each subsequent sitting day, at eleven o'clock in the morning. That, in addition to the usual intermission at six o'clock p. m., there shall be also an intermission every day from one to three o'clock p.m.; and that government orders shall have precedence at all such sittings, members having still the right to

ask questions on Mondays, Wednesdays and Thursdays.

Mr. DAVID HENDERSON. I have no desire to prolong the session more than is necessary, but I must enter my protest against the commencement of morning sittings at this time. Possibly, the right hon. First Minister has not taken into consideration the important committee work that is yet to be done. We have important questions before the Railway Committee, and the Committee on Banking and Commerce, and there is at least one special committee, of which I have the honour of being a member, a committee which is sitting, I might almost say, day by day and endeavouring to get into shape the very important Bill respecting the inspection of grain. The committee has not yet finished with that Bill, and we shall require to have, at any rate, one more sitting if not more. I, for one, do not like the idea of being obliged to absent myself from meetings of the House to attend to committee work, nor do I like to absent myself from any important committee on which I am placed—and the First Minister knows that even a member of parliament cannot be in two places at the same time. I think that nothing will be lost if the right hon. gentleman will agree to postpone the morning sittings until the beginning of the week after next, thus allowing the committees to complete their work. If this resolution is carried either the committee work must be neglected, or the work of the House must be neglected, and I am sure the right hon. gentleman does not wish to place the members in such a position that they must desert their duties in either one place or the other.

Hon. WM. ROSS (Victoria). I hope the suggestion of the hon. member for Halton (Mr. Henderson) will not be accepted. The trouble is that there is too much delay by members absenting themselves from the House to go away pleasure seeking. If there is any difficulty arising through the adoption of the Prime Minister's resolution, it can be got over by having the committees meet earlier in the morning at 9 or 9.30, instead of 11 o'clock.

Some hon. MEMBERS. Make it seven.

Hon. WM. ROSS (Victoria). I know that as to any committees I have to attend—and I am a member of four—I will be there at nine o'clock, if it should be so ordered.

Motion agreed to.

BUSINESS OF THE HOUSE—COMMITTEE MEETINGS.

Mr. M. K. COWAN moved :

That the Select Standing Committees of this House have leave to sit during the time of this session.

Mr. DAVID HENDERSON. I protest against that motion, for I think it would establish a very bad precedent and would encourage members to leave their duties in this House to attend to the work of committees. I would rather adopt the suggestion of the hon. member for Victoria (Mr. Wm. Ross) and have these committees meet at an earlier hour. If necessary, let the committees meet at nine o'clock, but by no means let the work of the committees interfere with our duties in this House. For my part I decline to be called away from the meetings of the House to a committee, even if it is an important committee, and I shall be obliged, perhaps, to take the position of neglecting altogether the committee work if it is to go on during the sittings of the House. I think this is altogether an improper motion.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I would not say that the motion of my hon. friend from Essex (Mr. Cowan) is an improper one, but I think it is, perhaps, a premature one. I would suggest to him not to press his motion to-day. If any committee cannot do its work without sitting during the time the House is in session, leave can be moved for later on.

Mr. SPEAKER. On the report of the committee.

Motion withdrawn.

HON. SYDNEY FISHER—PERSONAL EXPLANATION.

Hon. SYDNEY FISHER (Minister of Agriculture). Before the Orders of the Day are called, Mr. Speaker, I rise to make a personal explanation. I find the following in this morning's 'Citizen' on the first editorial page :

Of what does Hon. Sydney Fisher's military experience consist ? Has he ever taken a rifle to defend his country ? No, this does not suit his book. What he prefers is that some one else should do the fighting and he should draw the pay. Mr. Rufus Pope, M.P., made a statement recently in the House of Commons to the effect that the Hon. Sydney Fisher, M.P., for Brome and Minister of Agriculture in the government of Canada, once lent a horse to a trooper in a cavalry corps who was entitled to and received from government the sum of $12 for the horse during the twelve days of camp. Was Mr. Fisher satisfied with this horse-hire? It was the amount allowed by this government of which he was then a member to enable a trooper to provide himself with a horse and was thus fixed as a fair equivalent. No, this did not suit our modern Shylock. 'The responsible minister for the district,' demands from the trooper not only the amount allowed for the services of the horse but in addition the poor fellow's hard-earned and paltry pittance of fifty cents a day !

Having looked up 'Hansard,' I find that the hon. member for Compton (Mr. Pope) did make some such statement in the House as is here referred to. I was not paying any attention to the hon. gentleman, and therefore did not deny his statement at the time. I have only this to say : It is true

that, a few years ago, I was keeping a horse in a livery stable in Ottawa. It was the duty of the livery stable keeper to exercise the horse when I was away. On one occasion during my absence, the livery stable keeper let the horse to a trooper of the Princess Louise Dragoon Guards. No charge was made for the use of the horse; I did not receive any money for the use of the horse either from the trooper who used it or from anybody else. The statements made in this editorial are absolutely false and have no foundation in fact. I find that some hon. gentleman think that what the hon. member for Compton said was in regard to a horse in the eastern townships. I have only to say that I never let a horse to anybody or received any pay for any horse, either in the eastern townships or here or anywhere else, that was to be used in the militia of Canada.

INQUIRY FOR RETURN.

Mr. JAMES CLANCY. May I again repeat the question I put to the government yesterday as to when we may expect the papers to be brought down with respect to the seizures of binder twine?

Rt. Hon. Sir RICHARD CARTWRIGHT (Minister of Trade and Commerce). I made inquiry about that. I do not know when the order was made, but it was only delivered to my department two days ago. The papers are being prepared.

Mr. CLANCY. A slow order.

Sir RICHARD CARTWRIGHT. It was slow in reaching me.

SUPPLY.

House in Committee of Supply.

Post Office Department—provisional allowance to employees in the branches of the dead letter office at Winnipeg and Vancouver, $305.

Hon. Sir WILLIAM MULOCK (Postmaster General). There are five clerks entitled to the benefit of this provisional allowance, one at $20, three at $60, and one at $105.

Mr. SPROULE. The minister promised to bring down some correspondence between the letter-carriers and the Postmaster General.

Sir WILLIAM MULOCK. Yes, I have something here in relation to that matter. I find that out of a total number of 656 letter carriers, 251 elected to come in under the new Act, 146 were appointed under the new Act, leaving 259 who have not elected to come in under the Act. Referring to this item, provisional allowances have been granted to these clerks for many years, in Manitoba, the Territories and British Columbia, over and above the pay they would receive in the east, on account of the greater cost of living in the west, and we have recently increased that allowance from $10 to $15 a month. These clerks are engaged in the dead-letter branch. As hon. gentlemen may remember, this branch, which is in the inside service at Ottawa, has been distributed throughout Canada. Recently we obtained power from parliament to carry on that work in different parts of the Dominion, and we are distributing the staff, though they still belong to the inside service.

To pay M. W. Sloan, railway mail clerk, who sustained injuries while on duty which prevented his performing the work of a railway mail clerk, the mileage allowance that he would have earned had he been so employed for the period between November 15th 1898, and January 31, 1904, notwithstanding anything in the Civil Service Act or the Post Office Act, $2,224.51.

Sir WILLIAM MULOCK. Mr. Sloan was injured in a railway accident at Murray Hill, on the Grand Trunk Railway, on the 15th of November, 1898, in consequence of which he was unable to resume the duties of a railway mail clerk. He was receiving a salary of $800 a year, and a mileage of $430. He is fifty-three years of age, and was appointed on the 19th of September, 1885. He was transferred to the superintendent's office at Toronto on the 1st of February, 1904. We think his case a very meritorious one. Although he does not appear to be physically disabled, yet, as a result of the accident, his nerves have been shattered. We gave him leave of absence to enable him to lead an outdoor life for some time, with the hope that he would become stronger. We have transferred him to a position in the inside office work in Toronto. On the whole, he will be earning about as much under the new conditions as he was under the old.

Mr. SPROULE. I do not take exception to this vote, because I think it may be justifiable. But I would like to suggest to the minister, as we are discussing matters relating to the Toronto Post Office, that he would be good enough to let any one of these items remain over so that we may avail ourselves later on of an opportunity of discussing the Toronto items.

Sir WILLIAM MULOCK. I would suggest something else still better. I will have some supplementaries for the next year. These are for the current year, and I would like to dispose of them because we want to pay these moneys. On the supplementaries I will consider everything open in the service.

Mr. CLANCY. With regard to this gratuity to Mr. Sloan, I would ask the minister if there have been other cases somewhat similar, which he has been called upon to

deal with, and if so, how he dealt with them.

Sir WILLIAM MULOCK. The controller of the railway mail clerks informs me that there are no railway mail clerks in the position of Mr. Sloan who have not been compensated for any loss of mileage, either by the department or by the railway company. In some instances the railway companies have made good the loss where the clerk injured had a legal claim against them, and some clerks have brought action.

Mr. CLANCY. Did Mr. Sloan get anything from the railway company in this case ?

Sir WILLIAM MULOCK. At the time of the accident Mr. Sloan did not think he was seriously injured. He returned to his duties within a week, and the railway company was astute enough to get a settlement with him. When he returned he thought he was quite well. They paid him $400. But a short time afterwards he found that his spine was affected, and he suffered great pain and was incapacitated for work of all kinds.

Mr. BLAIN. Are we to understand that his salary was going on at the same time and that he received mileage as well ?

Sir WILLIAM MULOCK. Yes.

Mr. BLAIN. I am not complaining about that. There was an accident somewhere along the line near the city of Guelph a year or two ago where some other men in the employ of the Post Office Department were injured. May I ask if these men were paid their salary and mileage as well ?

Sir WILLIAM MULOCK. The case of Mr. Cheney is perhaps the one my hon. friend has in mind. Mr. Cheney was injured and the Grand Trunk Railway Company compensated him for his losses, the controller thinks, to the amount of $1,700. The department transferred him to the inside service at London at an increased rate of salary so as to make up the increase of salary which he was losing by the loss of mileage.

Mr. BLAIN. May I ask the hon. gentleman if there are not cases other than that of Mr. Sloan not provided for by the department ?

Sir WILLIAM MULOCK. The officers are not aware of any other case. It is a rule I inaugurated when I came into office to take into account injuries to or deaths occasioned by railway accidents of, railway mail clerks. If my hon. friend is aware of any case that is entitled to consideration I would be very grateful to him if he would bring it to the attention of the department.

Mr. CLANCY. I would like to ask the hon. Postmaster General as a matter of information if any provision is made in his department for paying some portion if not the whole of a reasonable life insurance for employees who are occupying hazardous positions such as those of mail clerks and who are liable to lose their lives or be injured ?

Sir WILLIAM MULOCK. I do not think there has been any provision in the law of the character to which my hon. friend alludes.

Mr. CLANCY. I would like to call the hon. gentleman's attention to what seems to be a very common practice in the departments ; that is paying for life insurance policies for men who go out of this city on government business. If there is any justification for this practice—I do not say whether there is or not—it seems to me that those persons like railway mail clerks who are forced in to hazardous positions should be considered and that it would be only a just thing to contribute a portion if not the whole of the premiums on insurance policies upon the lives of these persons so engaged. I cannot imagine that I could have anything but the approval of the hon. gentleman for the course which I propose in view of what seems to be a very common practice of the departments of paying the premiums upon the insurance policies of persons who are temporarily travelling on government business. I would like to know if the hon. gentleman is prepared to consider that matter?

Sir WILLIAM MULOCK. The policy that the Post Office Department has adopted seems to me to be better than the one which my hon. friend suggests. Whenever a railway mail clerk is killed it is our policy to vote the sum of $2,000 as a gratuity to his dependents, so that practically we are not only paying the premium but we are undertaking that the amount is paid in case an accident happens.

Mr. CLANCY. In case of disablement ?

Sir WILLIAM MULOCK. There is always a compassionate consideration for disablement. My hon. friend does not know anything about the working of the department. He cannot point to a single case since I have been in charge of the department where there has been no consideration given to a railway mail clerk who has met with an accident. I think we are doing very well for the clerks in living up to this policy. There is nothing in the law about it, but I trust it will be always adhered to. I am told there is a practise in some of the departments like this : A civil servant who has occasion to travel on a railway and who travels free, as a good many employees of the government are allowed to do, has no cause of action against the railway company in case of accident ; therefore in such

a case the employee is allowed to take out an accident policy and to charge the premium in his travelling expenses. That, I am told by my deputy, is the extent to which the departments recognize responsibility for acidents occurring to employees. If, of course, a man were paying his way and had a cause of action against the railway company in case of accident it might be different.

Mr. SPROULE. Has there been any test case in regard to employees of the government travelling on the railway establishing the fact that in the event of injury they are without redress under the law, though the accident may have been due to the culpable negligence of some of the railway employees ?

Sir WILLIAM MULOCK. I do not know whether it has been determined as a matter of law but I think the companies, in connection with any free transportation, add the stipulation that a person travelling under these conditions shall have no recourse against the company, he giving no consideration for the service rendered by the railway company. It is treated as a matter of courtesy.

Mr. FITZPATRICK. That stipulation is on our own passes.

Mr. SPROULE. I admit that but I do not think that many of us believe that it could be sustained in a court of law.

Sir WILLIAM MULOCK. We cannot give a free opinion on that point.

Mr. SPROULE. I understand the hon. Postmaster General to say that this was the practice of the railway companies and I supposed it had been tested by some decision of a court that would give strength to it. But I have heard that contention disputed over and over again by legal authorities who have claimed that it was not optional for any company to put any provision on a pass or on a shipping Bill of that kind and to say that provided you accept so and so you accept it on conditions. Insurance companies do the same thing but when you go into a court of law the court determines whether the conditions are proper and reasonable and if they are unreasonable the court will not hold you as bound by these conditions notwithstanding that you sent your goods under the conditions of that Shipping Bill or that you accepted a pass on those terms.

Mr. BLAIN. I understand that the Postmasters give no bonds to the government or rather that the government guarantee the fulfilment of the duties of the postmasters. I understand that the postmasters pay into a fund and that when there is a loss sustained by any postmaster it is repaid out of the fund which is accumulated by the government.

Sir WILLIAM MULOCK. The practice in the department now is to assess the employees instead of having guarantee bonds for their fidelity, but it is not enforced in the case of postmasters at offices having a revenue of less than $100. The rate charged is 40 cents for each $100 of insurance. That is the rate which I understand prevails throughout Canada. The fund is deposited in the savings bank account to the credit of the guarantee fund. If a loss occurs it is then chargeable against it and an application is made to the government for an Order in Council allowing the withdrawal of the fund. We have been very fortunate so far although running many risks. We recently had a loss of $10,000 which occurred through the misconduct or robbery of a mail clerk in the west. Part of that money has been recovered. That would have made a bad hole in our fund but we have not been called upon to make it good. I suppose we will have to make some of it good. Altogether it is a more satisfactory system than having a bond for each officer. In the latter case there is the danger of the bond expiring, and there is trouble in seeing to the renewal of it, and the payment of premiums, and in the event of loss we are not always able to recover, although there is no moral doubt as to the liability of the company. For instance, some time ago $367 disappeared, and there was no doubt that it disappeared by the fault of one of three of our officers, but which one it was impossible to state. In that case we could not tell which officer was responsible and we could not have recovered from the insurance company. The three men were insured under our own system and we were able to make good the loss. There are many advantages in the system ; having tried it for seven years I think it is infinitely better than the old system.

Mr. BLAIN. What was the old system ?

Sir WILLIAM MULOCK. Each postmaster gave an insurance company bond or a private bond. In the latter case, all sorts of obstacles were put in the way of recovering. The minister was told that it would be a great hardship to seek to recover against some bondsman who had not the money. It was a perfect nuisance, and I think my hon. friend (Mr. Haggart) who has had experience will agree with me in that. I must say that defaults in the postal service are not frequent, and that on the whole we have a most efficient and honest staff throughout the country, but unfortunately occasionally some one will lapse.

Mr. BLAIN. I do not complain of the new system. Could the minister state how much was paid into the fund last year and how much was paid out of it.

Sir WILLIAM MULOCK. If my hon. friend wishes I will bring that down on the supplementary estimates. It is a special trust fund and the premiums do not go into the consolidated revenue at all. By an Act passed in 1898 the money assessed upon the officers is treated as independently as if it were a private insurance company.

Mr. FOWLER. Do I understand that instead of these officers paying to a guarantee company, they pay so much to the government and the government guarantees ?

Sir WILLIAM MULOCK. That is practically it ; we do our own insuring. We take the premiums and put them in this trust fund, out of which any loss is paid.

Mr. FOWLER. How has it worked out ?

Sir WILLIAM MULOCK. Satisfactorily. If the few years' experience we have had furnishes reliable data for all time, then it would be most satisfactory. However, there might be a serious loss any day, and I do not think we should debate the extent to which money passes through the post office.

Mr. SPROULE. Does each official get a guarantee bond in the regular way ?

Sir WILLIAM MULOCK. Instead of an official giving a guarantee bond or getting neighbours to act as his bondsmen, in a case where an employee would be bonded for say $500, he pays a premium to this fund of 40 cents on the dollar or $2 a year. That is deducted from his salary and goes to the trust fund.

Mr. SPROULE. It seems to be cheaper than the other system.

Mr. BLAIN. I would suggest to the Postmaster General that this would be interesting information to put in his annual report. How does that matter of the loss of $10,000 in the Northwest now stand ?

Sir WILLIAM MULOCK. Nothing has been adjusted yet. The total amount stolen was $10,000, and we have recovered nearly $7,000.

Compassionate allowance for Mrs. John A. W. Innes, widow of the late railway mail clerk John A. W. Innes, who sustained injuries while on duty on January 23, 1904, from which he died on January 27, 1904, $2,000.

Sir WILLIAM MULOCK. Mr. Innes fell from the train when leaving the postal car at Winnipeg on the 23rd of January, 1904, and died three days later. He was appointed railway mail clerk in December, 1893, and at the time of his death his salary and mileage allowance amounted to about $900 a year.

Mr. TAYLOR. Carried.

To provide for the increasing of the salary of Mr. George Ross, chief post office superintendent, to $3,500 from July 1, 1903, notwithstanding anything in the Civil Service Act or the Post Office Act, $500.

Sir WILLIAM MULOCK. Mr. George Ross entered the service as a fourth-class clerk in the Hamilton office on the first of July, 1875, and he has been continually in the service since. He has been appointed chief superintendent of city post offices, and his duties necessitate his travelling from ocean to ocean throughout the Dominion of Canada. Everybody knows that however accurate a man may be in keeping accounts of travelling expenses it is absolutely impossible for him, if he is an honest man, to protect himself from loss. Mr. Ross is a most worthy officer ; one of the best officers in Canada, and we are most fortunate in having such a man in this position. He is affable, able, honest, industrious, never spares himself, and I do not imagine that this $500 will add much to his real salary, but that it will rather enable him to travel without having to skimp himself.

Mr. SPROULE. This only applies to one year.

Sir WILLIAM MULOCK. It only applies to the present year, but it will be in the supplementary estimates for the succeeding year.

Medical attendance, hospital and other expenses in caring for railway mail clerk J. W. H. Cameron, who met with a serious accident on December 19, 1903, while on duty, $213.

Sir WILLIAM MULOCK. Mr. Cameron fell from the Dominion Atlantic train near South Uniacke, about twenty-four miles from Halifax, on the 19th of December last. He was not missed by his fellow-clerks until the train reached Halifax. The search party found him in the cottage of Mrs. Coglin, who had heard his cries and rescued him. He was in his bare head, without a coat, and the temperature was below zero. He sustained a compound fracture of the right leg, between the ankle and the knee. This amount will cover his hospital and medical attendance and other expenses.

To complete payments for post office service to June 30, 1904, $130,000.

Sir WILLIAM MULOCK. This increase is due to the general expense of the service, and for the increased price asked for contracts put up to tender.

Mr. SPROULE. I thought the service was more than self-sustaining.

Sir WILLIAM MULOCK. So it is, but the money we collect goes into the revenue.

Mr. SPROULE. You are this much short of what you estimated last year you would require.

Sir WILLIAM MULOCK. I suppose my hon. friend means that the cost is that much greater than in the previous year, but it is never possible at the beginning of the year

to know how much it is going to cost to carry on the service. We cannot refuse new services because the money has not been voted, and therefore while the appropriation may perhaps carry the service through eleven months, at the end of the year we find a shortage. For instance, suppose our gross expenditure to be about $100,000 a week, when you get to the last month, you can pretty well tell how much you require to meet all demands, but every year you will require more money at the end of the year. If the plan I have adopted of asking parliament at the close of the fiscal year to vote sufficient money to close up the accounts had always been followed, the hon. member for Halton (Mr. Henderson) and myself would not have had that squabble about the $780,000. My policy is to state to parliament what is wanted and get it voted.

Mr. HENDERSON. I do not wish to continue that controversial question, but in as much as the hon. minister has to a certain extent corroborated the position I took—

Sir WILLIAM MULOCK. I will admit anything my hon. friend chooses to assume this afternoon, because it is too hot for discussion.

Mr. HENDERSON. But that is not the matter to which I desire to refer. I understand that before another session there may be very considerable changes in the House of Commons Post Office, and I think there is one which the Postmaster General should keep in mind. Every member should be provided with a lock box.

Sir WILLIAM MULOCK. The House of Commons Post Office is under the control of the House of Commons itself, and I have nothing to do with it.

Mr. HENDERSON. At any rate, whoever is in authority, if he is within the sound of my voice, I would ask him to take that matter into consideration.

Mr. SPROULE. Another thing which might be dealt with is the hour at which the mails close on Sunday in the House. No letters leave here that are posted after six o'clock, and I do not see any reason why the mails should not leave this House at nine o'clock instead of six.

Sir WILLIAM MULOCK. That is not under control of my department.

Mr. SPROULE. Last year I understood from the hon. minister that he was going to clean out the whole House of Commons staff unless things were managed differently, but I am glad he has awakened to the sense of his own imitation.

The undermentioned letter carriers and porters to be promoted to clerkships from the dates and with the salaries mentioned, notwithstanding anything in the Civil Service Act or the Post Office Act :

R. Wilkinson, letter-carrier, to junior third class from June 25, 1904, at a salary of $705 a year.

J. Emond, letter-carrier, to fourth class from October 1, 1903, at a salary of $626 a year.

L. J. Filion, letter-carrier, to fourth class from September 1, 1903, at a salary of $600 a year.

J. Wilson, letter-carrier, to junior third class from February 1, 1904, at a salary of $700 a year.

W. J. Gow, letter-carrier, to junior second class from December 1, 1903, at a salary of $900 a year.

E. D. Moore, porter, to fourth class from July 1, 1903, at a salary of $600 a year, and to junior third class from December 1, 1903, at a salary of $700 a year.

F. Graham, porter, to stamper and sorter class from October 1, 1903, at a salary of $540, and to fourth class from December 1, 1903, at a salary of $540 a year.

G. W. Oliver, letter-carrier, to stamper and sorter class from December 1, 1903, at a salary of $470, and to the fourth class from March 1, 1904, at a salary of $470, $158.32.

Mr. TAYLOR. There are some members who wish to speak on this question of the letter-carriers, but we will allow this item to pass on the understanding that the matter may be discussed on any other item.

Sir WILLIAM MULOCK. Certainly, I have not the slightest objection.

Department of Indian Affairs, salaries, $61,395.

Hon. CLIFFORD SIFTON (Minister of the Interior). The increase is due to forty-six statutory increases at $50 each, making $2,300, and the $62.50 is due to some trifling difference caused by the new Civil Service Act.

Department of Indian Affairs—contingencies, $14,075.

Mr. TAYLOR. There is an increase here of $660.

Mr. SIFTON. That increase is caused by increases in salaries to clerks who are paid out of contingencies.

Indians—Ontario and Quebec—relief, medical attendance and medicines, Ont., $3,300.

Mr. SPROULE. There is an increase here of $1,000. How is that accounted for ?

Mr. SIFTON. This is for sick and destitute Indians in Ontario belonging to bands which have no funds in the hands of the department. It includes the salaries of medical officers amounting to $1,119. The balance is for medicines, supplies, &c. The money is mainly for the benefit of the Indians on the north shore of Lake Superior. The demands for relief are becoming larger, and the expenditure is gradually growing.

Mr. SPROULE. How many medical men has the department employed on salary in Ontario ?

Mr. SIFTON. The medical men to whom I have referred are the only ones paid out of money voted by parliament. On many Indian reserves are medical men who are paid out of the band funds. The names of those to whom I referred and their salaries are as follows :

Dr. J. W. McIntosh, Manitoulin Island...	$184
Dr. J. H. Arthur, Spanish River..	75
Dr. F. H. Mitchell, Oneida Reserve.. ..	300
Dr. J. F. James, Munsee Reserve..	60
Dr. J. A. McNeil, Pogowasing and White Rivers..	100
Dr. E. Bedard, Mattawa..	200
Dr. Channonhouse, Golden Lake..	200
	$1,119

As I understand, it is the desire of hon. members that we should adjourn as early as possible. I may say that I am quite willing that the adjournment should take place when this vote is passed.

Mr. TAYLOR. Some of our friends who are not now present have something to say on the items of which this vote is made up. One item might be reserved.

Mr. SPROULE. Pass all but one item and allow the discussion generally to take place on that item.

Indians—payment of Robinson treaty annuities, $12,450.

Mr. CLANCY. There is a reduction here of $4,356. How is that accounted for ?

Mr. SIFTON. We make an estimate every year on the amount of annuities that will be necessary. Of course, it is impossible to make an exact estimate because we cannot know exactly how many Indians will be alive and entitled to these annuities. We think we are safe with this reduced estimate. Also in making calculations for this year we must take into account moneys placed at the credit of the Indian Fund as a result of the settlement of accounts between the old province of Canada and the Dominion, and this tends to reduce the vote.

Indians—survey of Indian reserves, $500.

Mr. CLANCY. In what state are the surveys that were commenced some time ago on Walpole Island ? I understood that they had commenced but it is reported to me that they had been stopped or delayed for some reason, but I do not know just what the reason was.

Mr. SIFTON. I am informed that instructions have been given to have this survey made. But it has not been possible to get it done. It is extremely difficult to get survey work done at present, because the enormous amount of surveying that we are doing in the west takes up practically all the available men.

Mr. CLANCY. Is there any objection on the part of the Indians, or any of them, to the survey being made ?

Mr. SPROULE.

Mr. SIFTON. Some objections were made, but after considering them we decided to go on, nevertheless.

Mr. CLANCY. Did the department decide to go on, notwithstanding the objection of the Indians, as a matter of policy, or did the Indians finally consent ?

Mr. SIFTON. It is a matter of which I have no personal knowledge. I think the objections were made in connection with the holdings of the Indians.

Mr. SPROULE. You are carrying on surveys on the islands in the Georgian bay. Are there not a number of islands there under the Indian Department ?

Mr. SIFTON. We had surveys made some years ago, I am not aware that any have been made since then. There are some islands that are now in dispute between the Ontario government and the Dominion government, and it is only when the consent of the Ontario government has first been secured that we make any sales. The sales are of an unimportant character, the islands are small and of no great value.

Mr. CLANCY. Has the minister considered that difficulty will arise in a place like Walpole Island where improvements were made without any regard to surveys? How does he propose working out the question of the settlement of holdings ? Or has he a system of making of uniform size the lots Indians may hold ?

Mr. SIFTON. The policy is to survey the land where it is actually occupied by the Indians, that is the purpose in view.

Mr. CLANCY. I have some acquaintance with the condition of things there where the lands are held by the Indians. I think when the hon. gentleman surveys the holdings of what the Indians claim to occupy now, he will have some strangely shaped lots left that are not claimed by the Indians, unless he has some system.

Mr. SIFTON. It is a question either of surveying the lots as they are or of not surveying them at all, and leaving the boundaries altogether undefined. It is a delicate question, and all we can do is to act on the best information we can obtain, and survey the lots according to actual location. I have not myself personal knowledge of the particular matter to which the hon. gentleman has called my attention.

Mr. CLANCY. I have not understood that the Indians made any demand. I may say that the gentleman who is employed by the government, Mr. McGeorge, is as good a man as can be found. I have understood, I do not know whether the information is accurate, that the Indians were somewhat opposed to this, and made no demand for a subdivision survey.

Mr. SIFTON. I cannot give a positive answer whether any demands from the Indians came, but I will give my hon. friend a full statement with regard to the whole matter.

Mr. SPROULE. What method does the department adopt in the sale of timber on the islands belonging to the Indians in Georgian bay, or elsewhere ?

Mr. SIFTON. No timber is sold by the Indian Department except under the regulations providing for the sale of timber generally. Applications have been made for sale of timber on these islands, but I have refused to sell.

Mr. SPROULE. I understood you sold some timber not very long ago on the Georgian bay, not very far from Midland.

Mr. SIFTON. In one case, some years ago, I found, some time after it had been done, that the officials of the department had sold some land on Batchewana bay which had some hardwood on it. They sold the land including the wood. The persons to whom it was sold had made applications for the land, the land was sold in the regular way and no reservation of the timber was made. The timber was not of any special value, but if the matter had been brought to my attention I would have directed that the timber be sold separately, in accordance with the regulations. I do not imagine that this is the case to which my hon. friend refers. With that one exception, there has been absolutely no sale of timber lands, except in accordance with the regulations.

Mr. SPROULE. How long is it since the regulation was made requiring that Indian lands must be sold by public auction ?

Mr. SIFTON. The regulation was made before I came into office, and there has been no change.

Mr. SPROULE. We had a discussion here only a few nights ago in regard to this very question, when it was stated that Indian lands had been sold without competition to a party living in Orillia.

Mr. SIFTON. Those were not Indian lands.

Mr. SPROULE. This department has no authority to sell any other land there. It either belongs to the Indians and is controlled here, or belongs to the province of Ontario and is controlled at Toronto.

Mr. SIFTON. What the House was discussing the other night was not sold by the Indian Department.

Mr. SPROULE. What department sold it, then ?

Mr. SIFTON. I presume it was sold by the Department of Marine and Fisheries. That department may have had the land for the purposes of the department, and then sold it.

Mr. SPROULE. That may be.

Mr. SIFTON. All Indian land is required by Order in Council, passed some years ago, to be sold by public competition, and, as I say, with that one exception, there has been none sold without reference to that regulation.

Mr. SPROULE. I think the hon. minister is perhaps right, because I understood that this land was transferred to the Department of Marine and Fisheries.

Mr. SIFTON. That must be Hope island.

Mr. SPROULE. Yes.

Grant to assist Indian fund account No. 310, prevention of liquor traffic, $1,500.

Mr. SPROULE. You have a large increase here. How do you account for that ?

Mr. SIFTON. During last year we initiated a number of prosecutions for the purpose of preventing the sale of liquor to Indians, and, as my hon. friend knows, it is very difficult and very expensive to successfully carry on these prosecutions. If we start a prosecution against three or four men in a town, we must undertake an expenditure of $500 or $600. We have always to send a special detective to get the evidence. I have lately made a change in connection with these prosecutions in this way, that whereas, formerly half of the fine went to the fund of the band, now half of the fine goes to the prosecution fund. I hope next year it will not be necessary to vote any money at all, that in a year or two we will have sufficient funds to carry on these prosecutions and that the work will be self-sustaining. I did not see why half of the fine should go to the fund of the band and parliament be called upon to vote the money to carry on these prosecutions.

Mr. SPROULE. Is there any return of these fines ?

Mr. SIFTON. Yes.

Mr. SPROULE. Is there any report giving a return of the fines as well as the names of the parties imposing the fines ?

Mr. SIFTON. I am told that the details are not in the report of the department, but if my hon. friend desires it I can bring down a statement covering the prosecutions for the last two years. It would be very easy to have a statement made out.

Mr. SPROULE. Can you go beyond two years ?

Mr. SIFTON. We can go back as far as you wish.

Mr. SPROULE. I may say that I applied to your department before, and I was told that you had no information on the subject.

Mr. SIFTON. About what ?

Mr. SPROULE. About the fines that were imposed.

Mr. SIFTON. There may be something in that point, inasmuch as fines may be imposed by a provincial constable or justice of the peace without the knowledge or intervention of the officers of the department, and, of course, if that were done, there would be no return made to us and the department would have no information, but if prosecutions are undertaken at the instance of the inspector of our department, then returns are regularly made. I do not fancy there are many cases in which prosecutions take place except at the instance of the Indian Department, so that the information must be pretty full. I have never heard of any other body prosecuting.

Mr. CLANCY. Oh, yes ; I have known of some cases in which other persons have prosecuted, and I have known of no case where the action has been brought by the agent of the department. It has been reported that these fines have not been returned.

Mr. SIFTON. It would be a very difficult matter to manage except we got a return from the justices of the peace of the province. The only way that it could be reached would be to ask the provincial government to have a special record kept, but I think my hon. friend will find that when there is a prosecution it is instituted at the instance of the Indian Department under the Indian Act.

Mr. LEONARD. Who was paid that $11,325 for squatters' improvements, Doncaster Reserve, which was voted last year ?

Mr. SIFTON. I cannot give the item offhand, but will furnish my hon. friend with a detailed statement giving the names and the amounts to each person.

Some resolutions reported.

Sir RICHARD CARTWRIGHT moved the the adjournment of the House.

Mr. SPROULE. What business will be taken up on Monday.

Sir RICHARD CARTWRIGHT. I understand that Mr. Emmerson will take up the railway estimates.

Motion agreed to, and House adjourned at 5 p.m.

HOUSE OF COMMONS.

MONDAY, July 4, 1904.

The SPEAKER took the Chair at Three o'clock.

SITTING OF RAILWAY COMMITTEE.

Hon. CHARLES S. HYMAN moved :

That the Select Standing Committee on Railways, Canals and Telegraph Lines have leave to sit during the time the House is in session.

Mr. DAVID HENDERSON. Mr. Speaker, on Thursday last I entered my protest against this procedure. The First Minister (Sir Wilfrid Laurier) agreed with me that I was right, because he asked the hon. member for South Essex (Mr. Cowan) to withdraw the motion he had made. I think that the conclusion come to then was that it was quite time enough to ask that the committees should have leave to sit during the sessions of the House when the committees made representation that they required such permission. There has been no meeting of the Railway Committee since then, and consequently no resolution passed asking permission to sit during the sittings of the House. The hon. member for Victoria, Nova Scotia (Mr. Wm. Ross) made the suggestion that the committees meet at nine o'clock. I assented to that. I am quite willing that that suggestion should be acted upon. But I do protest against standing committees meeting while the business of the House is in progress. We want to be here while the House is conducting its business ; and, since the government has thought fit to commence the morning sittings—to-morrow morning they begin, I believe—some provision should be made by which members can attend to their duties. I, for one, do not propose to absent myself from the House in order to attend the meetings of the Railway Committee, nor shall I willingly absent myself from the work of the Railway Committee. There are other important committees besides the Railway Committee, and, if you insist on these committees meeting while the House is in session, no doubt the government will expect to get their estimates through in our absence in a very short time. This motion is contrary to precedent—at any rate, it is contrary to common sense. The hon. minister (Mr. Hyman), I trust, will pardon me if I say that his motion is not in accordance with common sense. It is not reasonable to suppose that we can be in two places at the same time, or that we are to desert our duties here in order to attend to the duties of the Railway Committee, particularly when the difficulty may be overcome by having the committee meet at nine o'clock and sit until eleven if necessary. I must again enter my solemn protest against this proceeding.

Mr. HYMAN. Unfortunately, Mr. Speaker, notwithstanding that the Railway Committee—as, I think, all will agree—have laboured very assiduously during the session, there still remain some important matters to be dealt with by that committee. It is true that this motion is not recommended by the

committee, but, as the committee has been called to meet to-morrow at eleven o'clock, I took it upon myself to bring in this motion. To-morrow the committee could not meet at nine o'clock, the time having already been fixed and notices sent out. But I have no objection to changing the motion so as to confine it to the meeting of the committee to-morrow.

Mr. HENDERSON. Why not have the committee meet at nine o'clock ?

Mr. HYMAN. Unfortunately, the committee has already been called for eleven o'clock, and announcements to that effect have been made. Important matters are to come before the committee, and a number of people are coming from a distance expecting to attend the meeting at that time. This was done in accordance with the wishes of the committee. As I say, I have no objection to changing the motion so as to confine it to the meeting of the committee to-morrow.

Mr. HENDERSON. Well, the whole difficulty can be got over in this way, Mr. Speaker—when the House meets to-morrow you can simply call it one o'clock, and leave the chair.

Mr. HYMAN. I think I must press the motion, at least as regards the meeting of the committee to-morrow. Because, as I say, engagements have been made for the committee at eleven o'clock, and a number of gentlemen expect to be present who will not be in town before that hour. Under the circumstances, I think the hon. gentleman (Mr. Henderson) should not object to the motion so far as it relates to the meeting of the committee to-morrow.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). The motion of my hon. friend from London (Mr. Hyman) seems reasonable. But it should be limited to the meeting to-morrow. Then the matter can be brought before the committee and discussed.

Mr. R. L. BORDEN. There is a very serious objection, of course, to having important committees of the House proceeding with their business while the House is sitting. I understood, when this motion was first suggested that the important committees of the House had finished their business.

Sir WILFRID LAURIER. Mostly—not quite.

Mr. R. L. BORDEN. Perhaps it would be in order for us to be informed how much more business there is to bring before the Railway Committee. Will it all be cleared off to-morrow ? There are not too many members of the House in their places attending to business under the best conditions; and, if, in addition to other reasons which induce absence, an important committee such as the Railway Committee, which comprises, I think, about three-fifths of the membership of the House, is sitting, then, either there will be a very inadequate attendance at the Railway Committee, or there will be a very small attendance in this House.

Sir WILFRID LAURIER. The matter came up the other day in the absence of my hon. friend (Mr. R. L. Borden). I am within the judgment of the House when I say that the consensus of opinion then was that the morning sittings of the House should commence to-morrow and that the committees might be requested to sit from nine o'clock until eleven. I think it will be found that all committees are ready, with a view to accelerating the business, to sit at nine o'clock. But to-morrow, as suggested by the hon. member for London, the Railway Committee has been called for eleven o'clock, and the members have been notified and expect to be present at that hour. So that, I think, for to-morrow, the Railway Committee ought to be allowed to meet while the House is in session.

Mr. SPEAKER. The motion is amended to read that the Committee on Railways, Canals and Telegraph Lines have leave to sit to-morrow during the time the House is in session. Shall the motion be agreed to ?

Mr. HENDERSON. No.

Mr. SPEAKER. Carried. On division ?

Mr. HENDERSON. Yes.

DOMINION ELECTIONS ACT, 1900, AMENDMENT.

Hon. CHARLES FITZPATRICK (Minister of Justice) moved for leave to introduce Bill (No. 148) to amend the Dominion Elections Act.

Mr. R. L. BORDEN. Perhaps the Minister of Justice will explain the provisions of the Bill for the benefit of gentlemen on this side.

Mr. FITZPATRICK. The Representation Act of last year has made changes in the constitution of the electoral districts which necessitate the amendment of those sections of the Elections Act, 1900, in which special and exceptional provision is made with respect to the dates for the returning officer's proclamation and the nomination and polling, in certain extensive and sparsely inhabited districts. The sections in question are sections 24, 27 and 29 of the Act, and the districts to which they now apply are Algoma, in the province of Ontario, Gaspé, and Chicoutimi and Saguenay, in the province of Quebec, and Burrard, and Yale and Cariboo, in the province of British Columbia. The District of Algoma has been divided into two ridings, the east and the west riding, and it is thought that each of these requires exceptional treatment. In that province it is considered expedient also that Nipissing should be placed in this class, partly on

account of its great extent of territory and partly because it may be necessary, under section 9 of the Franchise Act, 1898, as amended, to prepare voters' lists for the purposes of an election there. No change is proposed in the province of Quebec, the constituencies of Chicoutimi and Saguenay, and Gaspé being still the only electoral districts requiring to be thus provided for. In British Columbia the present electoral district of Burrard will be divided between the new districts of Comox-Atlin and Kootenay, and it is proposed that each of these districts, as well as Yale-Cariboo, shall be included in this special class. The Act, of course, like the Representation Act, will take effect only upon the dissolution of the present parliament.

Motion agreed to, and Bill read the first time.

REPRESENTATION ACT, 1903—AMENDMENT.

Hon. CHARLES FITZPATRICK (Minister of Justice) moved for leave to introduce Bill (No. 149) to amend the Representation Act, 1903. He said: The object of this Bill is to correct two or three errors which, through inadvertence or oversight, crept into the Representation Act of last session. Sections 7 and 8 of the Representation Act slipped into their present position in the body of the Act through error. They are taken from the Quebec Act, Revised Statutes of Quebec, chapter 2, sections 67 and 68, which defines the provincial electoral districts. The intention was to insert these particular sections 6 and 7 where they ought to be, in the Quebec schedule. They have been incorporated in the body of the Act, which would make them applicable to the whole Dominion. Of course this is absolutely impossible under the system of dividing constituencies, as they exist elsewhere.

There are other changes that refer to Ontario. When the Bill of last session was prepared, an Ontario Act of 1901 was overlooked. This is one of the Acts which are passed yearly by the legislature of that province, entitled 'Acts to amend the Statute Law.' It contains amendments to a great variety of statutes, and amongst them one which amends the Ontario Territorial Divisions Act, chapter 3 of the Revised Statutes, by shifting the boundary between the provisional judicial districts of Algoma and Thunder Bay, twenty minutes westward from eighty-five degrees west longtitude to eighty-five degrees, twenty minutes. This necessitates a change in the description of the electoral districts of Thunder Bay and Rainy River, and the two ridings of Algoma. That amendment is of trifling importance, and is merely for the purpose of giving effect to a provincial Act which provides for the description of the boundaries of the electoral district I have just mentioned.

A mistake was also made in the New Brunswick schedule, it having been overlooked that the old county of Victoria had been divided by a provincial Act into the two counties of Victoria and Madawaska, and that these two counties have since that date formed the electorial district of Victoria. At the time the schedule was prepared with respect to New Brunswick, this fact was overlooked. It will be seen that under the schedule as it now stands, there would, on account of this mistake, appear to be fourteen electoral districts in the province, each entitled to return one member, whereas the province is only entitled to thirteen members. Clause 4 of the Bill is intended to correct this mistake.

It is proposed to complete the schedule by adding to it the electoral district of Yukon.

Motion agreed to, and Bill read the first time.

INQUIRY FOR RETURN.

Mr. JAS. CLANCY. Before the Orders of the Day are called, I would like to inquire again concerning those papers relating to the seizures of binder twine. I need scarcely remind the government that in the present state of the business of the House, we require those papers to be brought down expeditiously if they are to be of any service to us this session, and unless they are so brought down, we shall have to renew the discussion that has taken place as to whether we should have morning sittings before the committees get through with their work. This is a purely departmental matter, as the right hon. gentleman must know, and one can scarcely account for the delay that has occurred, not long in itself, but long in view of the fact that we are now in the closing days of the session.

Right Hon Sir WILFRID LAURIER. (Prime Minister). In the absence of my right hon. friend the Minister of Trade and Commerce (Sir Richard Cartwright), I communicated with his department and received the information that the papers were in course of preparation and would be ready at an early date. Since the return of the Minister of Trade and Commerce, I have not communicated with him but will do so immediately, and give an answer to my hon. friend.

PRIVATE BILLS.

WEST CANADIAN COLLIERIES, LIMITED.

House in Committee on Bill (No. 80) respecting the West Canadian Collieries, Limited—Mr. Oliver.

Mr. HENDERSON. Mr. Chairman, it seems to me that this Bill was held over some time ago for some reason—I forget what it was. I think we ought to have some

explanation of this Bill from the promoter or, if the hon. Minister of the Interior (Mr. Sifton) is acquainted himself, with the nature of the Bill, we should have some statement as to whether he considers it proper legislation, because, if I can judge at all of the character of the Bill from the title, I would suppose that it has to do with collieries in our western country, and it is very important, surely, that the public interest in coal lands should be protected. I would not like to see legislation passed through the House without any explanation or without some knowledge as to the character of the Bill, because otherwise we might be doing something that we would have occasion to regret hereafter.

Mr. SCOTT. If there is any question raised, I would propose that the committee rise and report progress in the absence of the hon. gentleman (Mr. Oliver) in whose name the Bill stands. I therefore beg to move that the committee rise, report progress and ask leave to sit again.

Mr. HENDERSON. Yes, that is better.

Progress reported.

RIO DE JANEIRO TRAMWAY, LIGHT AND POWER COMPANY.

House in Committee on Bill (No. 142) respecting the Rio de Janeiro Light and Power Company, Limited, and to change its name to the Rio de Janeiro Tramway, Light and Power Company, Limited.—Mr. Calvert.

Mr. HENDERSON. My recollection is that this Bill passed its second reading before it was printed, and as there is not a copy of it on my file I do not know if it has since been printed. I do not know anything about the Bill.

Mr. DEPUTY SPEAKER. I have a printed copy of the Bill and the clerk informs me that it has been printed.

Mr. HENDERSON. We had better have some pretty full explanation as to what this South American legislation consists of.

Mr. CALVERT. When I introduced the petition for the Bill I explained that this company was being formed in Canada for the purpose of building railroads and supplying light and power in Brazil. This company was incorporated under the Companies Act early in June, but that incorporation did not give them power to build railways, and hence they have come to parliament for a charter which will be subject, of course, to the laws of Brazil. Some years ago a similar company called the Sao Paulo Company was incorporated under charter by this parliament. The promoters of the Sao Paulo are nearly all Canadians doing business in South America. The company now under consideration is to be formed partly of the same people, in addition to some other Canadians. They simply want a charter to carry on their undertaking. It does not affect any other person or incorporation in Canada.

Mr. HENDERSON. I am obliged to say that the enterprise seems to be very commendable, and I think the explanation of the hon. gentleman quite satisfactory.

Bill reported, read the third time and passed.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill (No. 137) respecting certain Patents of the Canadian Office and School Furniture Company, Limited.—Mr. Clare.

Bill (No. 138) for the relief of Andrew William Mann.—Mr. Macdonald—on division.

Bill (No. 139) for the relief of Jennie Davison Moore.—Mr. Macdonald—on division.

Bill (No. 141) for the relief of Eliza Robertson.—Mr. Holmes.

Bill (No. 89) to incorporate the Cedar Rapids Manufacturing and Power Company.—Mr. Geoffrion.

Bill (No. 136) respecting the Similkameen and Keremeos Railway Company.—Mr. Morrison.

Bill (No. 58) respecting the Imperial Loan and Investment Company of Canada.—Mr. A. T. Thompson.

Bill (No. 140) respecting the Alliance Bank of Canada.—Mr. Russell.

THE NORTHERN BANK.

Mr. WALTER SCOTT moved the second reading of Bill (No. 146) respecting the Northern Bank.

Mr. HENDERSON. I would ask the promoter of this Bill to explain why this bank is asking for an extension of time to organize.

Mr. SCOTT. This Bill has been passed by the Senate. I have no direct or definite information in regard to it, but I have no doubt the action of the promoters will be explained when it comes before the select standing committee to which it will be referred.

Motion agreed to, and Bill read the second time.

QUESTIONS.

THE FAIR-WAGE RESOLUTION.

Mr. KENDALL asked:

1. Does the fair-wage resolution, passed by the Canadian parliament in 1900, apply to the Dominion Iron and Steel Company?
2. Has this resolution the force of an Act of parliament?

Hon. Sir WILLIAM MULOCK (Postmaster General). The resolution applies to works under contract, but it does not apply

to enterprises aided by bounty. The second part of the question is a question of law which my hon. friend is probably able to answer himself.

LT.-COL. H. H. McLEAN.

Mr. SAM. HUGHES asked :

1. Did the District Officer Commanding of No. 8 military district recommend Lieutenant-Colonel Jones, of St. John, for position of brigadier at Camp Sussex ?

2. If so, was his recommendation set aside, and Lieutenant-Colonel H. H. McLean appointed instead of Lieutenant-Colonel Jones ?

3. Was Lieutenant-Colonel H. H. McLean absent from Canada lately, and did he procure leave of absence ?

4. Was Lieutenant-Colonel McLean in Ottawa at the time he was in orders for Camp Sussex, viz., 11th June, or when ?

Hon. Sir FREDERICK BORDEN (Minister of Militia and Defence) :

1. The district officer commanding recommended Lieutenant-Colonels McLean and Jones as brigade commanders.

2. As there was only one brigade, Lieutenant-Colonel McLean being the senior was appointed to the command of it.

3. (a.) He was absent for three weeks prior to the 28th May last. (b.) It is not customary for officers on the reserve to apply for leave of absence.

4. The department is not aware.

SUPPLY — INTERCOLONIAL RAILWAY. —ANNUAL STATEMENT.

Hon. W. S. FIELDING (Minister of Finance) moved that the House go into Committee of Supply.

Hon. HENRY R. EMMERSON (Minister of Railways and Canals). Mr. Speaker, before you leave the chair it is my purpose, following the precedent of recent years, to make a statement with respect to the financial affairs of the Intercolonial for the fiscal year ending June 30, 1903, and at the same time to take into consideration the fiscal condition of the Intercolonial Railway during the year which has just closed. It will not be expected that I shall make more than a brief and concise statement of the financial affairs of the Intercolonial Railway, as I was not associated with the affairs of the Railway during the fiscal year ending June 30, 1903, and have been in office for only four months of the year just closed.

The gross earnings and the working expenses for the year ending June 30, 1903 compare as follows :

Gross earnings	$6,324,323 72
Working expenses	6,196,653 19
Surplus..	$ 127,670 53

It has been usual to make comparisons with the fiscal year preceding that under review and, indeed, with other years. I shall not take up the time of the House by making comparisons between the fiscal year 1903 and any previous years except the one just preceding, that is the year ending June 30, 1902.

A comparison with 1902 gives the following results:

EARNINGS.

1903..	$6,324,323
1902..	5,671,385
Increase..	$ 652,938

WORKING EXPENSES.

1903..	$6,196,653
1902..	5,574,563
Increase	$ 622,090

A comparison of earnings shows the following results:

—	1902.	1903.	Increase.
Passengers... ...	$1,770,941	$1,927,916	$156,975
Freight	3,644,513	4,128,255	483,742
Mails and express..	255,931	268,151	12,220
Total	$5,671,385	$6,324,323	$652,937

These statements should be supplemented by an explanation of the increase in the working expenses of the Intercolonial Railway. It will not be necessary, and indeed I would not be expected to go into an explanation as to the increase in the freight or passenger returns. So far as ordinary business is concerned, the year 1903 did not show a very large excess over 1902, but there had been a very material expansion in the freight traffic and also a very creditable increase in the passenger traffic of the road. This House and, I am sure, the country as well, will be anxious to have an explanation as to the increase in the working expenses of the Intercolonial. If the railway had enjoyed the benefit of an increased freight traffic and had at the same time been able to conduct its affairs with the same expenditure as for the year previous, then there would have been instead of a surplus of $127,000, a surplus of upwards of $500,000.

We shall now inquire as to the comparison of the working expenses in the locomotive department, an important department in which there is usually a very large expenditure. It will be interesting to compare the expenditure of that department in the two years.

COMPARISON OF WORKING EXPENSES.
LOCOMOTIVE DEPARTMENT.

—	1902.	1903.	Increase.
	$	$	$
Wages of engineers and firemen.	486,926	513,160	26,184
Fuel	1,044,047	1,111,725	67,678
Oil, waste, tallow	27,150	29,881	2,731
Repairs, locomotives	374,699	407,861	33,162
Water	40,166	44,149	3,983
Miscellaneous	35,743	52,320	16,577
Superintendent's office	22,144	17,061	
Total	2,030,928	2,176,160	150,315

Mr. CLANCY. Was there about the same number of men employed as engineers and firemen in each of these years ?

Mr. EMMERSON. About the same number. I am informed that there is practically no difference in the number employed. The increase in the item of wages of the engineers and firemen in 1903 was due to the increase in wages allowed to these men. There was a partial increase made before the year 1903 had expired. But, for practically the same number of men this amount is swollen by $26,184. The cost of fuel, as all hon. members from the maritime provinces will know, was somewhat increased in the winter of 1903, which readily explains the increase of $67,678 shown in the table. And as there were more locomotives in 1903, there was naturally more spent in small repairs and so on.

Mr. BELL. Does that item include other rolling stock ?

Mr. EMMERSON. No, simply the locomotives. The superintendent's office shows a decrease. This is explained by the fact that there was no superintendent of motive power during at least the greater part of 1903, so that the department was saved the salary of that officer. With regard to car expenses, the following are the figures :—

CAR EXPENSES.

—	1902.	1903.	Increase.
	$	$	$
Repairs to—			
Passenger cars.	117,332	152,672	35,340
Postal, express, baggage cars.	31,193	33,022	1,829
Freight cars	304,035	412,612	108,577
Snow ploughs.	7,510	13,250	5,740
Wages, conductors, baggagemen and brakemen	472,227	497,753	20,526
Oil and waste	6,992	9,211	2,219
Small stores and fuel	125,851	151,411	25,560
Miscellaneous	54,318	68,943	14,625
Total	1,119,461	1,338,857	214,416

Explanatory of these items it may be said that, as the condition of the equipment of the Intercolonial has been kept up to the standard the increased expenditure meant a better condition of the railway. Money could have been saved in this department by allowing repairs to be kept down to the lowest point ; but instead of that, in all departments, attention has been given to the maintenance of the rolling stock at the high standard of efficiency to which it had, admitttedly, been brought. The wages paid to conductors, baggage men and brakemen had been considerably increased. They had been increased somewhat previous to June 30, 1903.

Mr. DANIEL. The minister says that the rolling stock is being kept up in a very good condition. Will he say whether that is being provided for out of revenue alone, or out of revenue and capital ?

Mr. EMMERSON: I am referring to repairs, which are provided for entirely out of revenue. I am explaining by these statements the expenditures on the revenue side of the account, and these items for repairs are paid out of the revenue of the Intercolonial. I will refer later on in my statement to the item of capital expenditure. I have shown that in 1903 there has been a general increase in wages of the conductors, baggagemen and brakemen ; later on I will show a very material increase in that respect occurring within the past eleven months, and affecting the affairs of the Intercolonial during the fiscal year which ended last Thursday.

Now, a very large item of expenditure in connection with the management of the railway is that referring to the maintenance of way expenses. That has to do with repairs to rails and buildings, renewal of ties, in fact the condition of the track generally. All the expenditure on the track of the Intercolonial is dealt with under this item of maintenance of way expenses. I think it will be shown by this statement that the excellent condition of that road has been maintained during that period. I have here a statement showing a comparison of the various items of expenditure under this head between 1902 and 1903 :

MAINTENANCE OF WAY EXPENSES.

—	1902.	1903.	Increase.
Salaries	$ 6,847	$ 6,796	
Wages	491,693	591,742	$ 100,049
Rails	69,441	185,746	116,305
Ties	192,566	193,333	767
Timber & Lumber	180,911	179,557	
Repairs, wharfs	12,075	17,967	5,892
" buildings	100,122	97,894	
" tools	17,612	19,785	2,373
Snow cleaning	80,982	89,480	8,894
Miscellaneous	3,638	3,846	208
Total	1,155,891	1,386,350	230,459

The House will see that in the item of wages alone there is an increased expenditure of $100,000. That means that to the section men and others working along the line of the Intercolonial during the year, in order to keep the road in its excellent condition, and that it might not be allowed to deteriorate in any way, there was paid out of the receipts of the railway over $100,000 more in 1903 than in 1902. In several items of expenditure required to keep the road in a state of efficiency, it will be seen that there has been an increase over the previous year. In relaying rails there has been an increased expenditure of over $116,000. Inasmuch as the cost of maintenance of way affects very largely the annual results, it will be seen that no attempt was made to lower the high standard, the very high standard, I may say, of the road by neglecting needful work. It will be noticed that the two chief items of increase are wages and rails.

A comparison of 1903 with 1896 shows some important increases in this department. I should mention in making this comparison that the Intercolonial in 1896 stopped at Lévis, whereas it now extends to Ste. Rosalie, or to the city of Montreal; consequently, certain items of expenditure are made now in connection with the maintenance of terminals at Montreal, which were not found in the same item in 1896. But it will be a matter of some interest, though not in any way reflecting upon the expenditure of 1896, but simply showing the growth of the Intercolonial and its expansion. A comparison of the two years shows the following important increases in this department :

Wages	$238,055
Rails	131,705
Ties	105,413
Total	$475,173

The total cost of maintenance of way was greater in 1903 than 1896 by $611,794.

It is also to be noted that there has been an increase of mileage in 1903 over 1896, of about 15 per cent, and that percentage will have to be taken into consideration in reaching a fair conclusion as respects a comparison made between those two years.

Now, I am coming to an item which shows quite a large increase, and yet it is an increase that is very largely due to the increase in the salaries and wages paid to the employees in that department. I refer to the station expenses which were as follows :—

STATION EXPENSES.

——	1902.	1903.	Increase.
Salaries and wages.	$567,462	$644,939	$77,477
Fuel, oil and light.	132,325	144,406	12,071
Total	$699,797	$789,346	$89,548

I think that in November, 1902, or in December, perhaps at the beginning of the session or some time during that year, the Telegraphers' Union, as will be remembered, approached the Minister of Railways and Canals, a long conference was held, and I think at that time an increase was agreed upon. That increase has swelled this item to the extent of $77,477. During the past season it has been my privilege to confer with the representatives of that union in regard to an additional increase. The expenditure made in 1902-3 was not up to the standard of the remuneration paid by the Canadian Pacific Railway in Canada for like services. That matter was under consideration during this present session and some action was taken to which I will make reference later on.

The general expenses of the offices at Moncton, including printing and agencies, amounted in 1903 to $477,373 as against $445,227 in 1902 and $199,985 in 1896. I give these items as showing wherein the increases in the expenditure are to be found. The work at the office at Moncton has very largely increased. A great deal of the work that at one time was done in Ottawa is done there now, and it shows an increase in the expenses.

Fuel is one of the principal items in operating a railway, and the cost to the Intercolonial Railway, in 1903 was $1,111,725,as against $1,044,047 in 1902 and $408,861 in 1896. It is interesting to note the very great increase in the expenditure for fuel as between the last, or recent years, and the year 1896. The amount has more than doubled. I do not know whether the larger class of locomotives has anything to do with it, or the increased number, but I assume that the expansion in the business of the railway has justified and will explain this increased expenditure. The increase in the cost of coal in Nova Scotia where the fuel is largely purchased, would be explanatory in a measure of the increase. It is important to notice how large have been the increases in wages and the cost of fuel since 1896 :

——	1896.	1903.	Increase.
Wages.....	$ 873,703	$1,603,105	$ 729,402
Fuel.....	408,861	1,111,725	702,864
Total	$1,282,564	$2,714,830	$1,432,266

These items are worthy of some study. They are explanatory of the conditions which prevailed on the Intercolonial Railway during the year ended June 30, 1903, as far as its fiscal aspect was concerned. I have referred to the several increases, but I will more fully discuss them at a later stage, after I have taken into consideration

the financial situation of the Intercolonial Railway during the fiscal year which ended on the 30th of June last. I have not a full statement of the expenditures up to the 30th of June. That would not be expected. I have not a detailed statement as to these expenditures and receipts later than the 30th of April. I have a general statement in respect to the month of May, but as regards a detailed statement for the ten months ended on the 30th of April, I will be able to make a comparison with like expenditures during those ten months of the present fiscal year. I am bound to say that I cannot paint a very glowing picture as to the financial conditions during the past year.

The House will anticipate this, because the other day in reply to a question put by the hon. member for Compton (Mr. Pope) it was my misfortune to have to admit that the expenditure was very largely in excess of the receipts. However, I think I will be able to explain, to the satisfaction of the House, wherein the discrepancy lies, and when the explanation is given hon. gentlemen can form their own judgment. The total receipts for the month of April, 1904, were $577,959.50 and the expenses for the month of April, 1904, were $482,653.83, showing a profit of $95,305.67 for that one month. The expenses for the month of April, 1903, were $483,899.47, while the receipts were $547,845.44, showing a profit during the month of April, 1903, of $63,945.97, as against $95,305.67 for the corresponding month of 1904.

The receipts for the ten months of 1903, up to the 30th of April, were $5,288,763.56, and the receipts for the same ten months in 1904 had grown to $5,835,294.07, showing an increase in the expenses for the ten months of 1904 over the ten months of 1903 amounting to $546,530.51.

The receipts for the ten months of 1903, up to the 30th of April, were $5,292,639.69, and the receipts for the same ten months in 1904 were $5,287,521.14, showing a decrease for the ten months of 1904, as compared with the ten months of 1903, of $5,118.55.

Mr. BLAIN. Was there any change in the freight or passenger rates ?

Mr. EMMERSON. There was no change in the freight or passenger rates. The receipts for the ten months ending April 30th, 1903, were $5,292,639.69, and the expenditure for the same ten months amounted to $5,288,763.56, showing a surplus of $3,876.13.

The receipts for the ten months ending 30th of April, 1904, were $5,287,521.14, and the expenses for the same ten months, $5,835,294.07, showing a deficit of $547,772.93. I shall place facts before the House which will, I think, show the reasons for this condition of things.

Mr. CLARKE. The hon. gentleman has compared the receipts and expenditures in 1902-3-4 with the receipts and expenditures for the same period in 1895-6 ; will the hon. gentleman compare the receipts and expenditures for the year ending 30th June, 1904, with the receipts and the expenditures for the year ending 30th of June, 1895-6 ?

Mr. EMMERSON. I will do that later.

Mr. CLARKE. Does the hon. gentleman recollect what the deficit was in 1896 ?

Mr. EMMERSON. It was $55,000.

Mr. CLARKE. And what is it this year ?

Mr. EMMERSON. I have been trying to tell my hon. friend that up to the 30th of April it was over half a million dollars.

Mr. CLARKE. You are doing very nicely.

Mr. EMMERSON. It is a growing time, and there are very good reasons for the increased expenditure. My hon. friend will not be able to derive very much comfort from it, because he assumes to be a friend of the labouring men, and the financial condition of the Intercolonial to-day is largely due to the increased wages which we have paid to the employees of the Intercolonial. I am sure my hon. friend will not cry over that.

Mr. CLARKE. I presume the hon. gentleman will give us the figures to carry on the comparison ? That is all we ask for. I am delighted to hear of the increased wage.

Mr. EMMERSON. I will give the figures.

Mr. DANIEL. The hon. gentleman said the deficit was largely due to the increased wages paid on the Intercolonial Railway. Could the hon. gentleman give us the amount of the increase, so that we could see for ourselves how near it was to the deficit ?

Mr. EMMERSON. My hon. friend seems to be impatient. I made the comparison between the years 1902 and 1903. I am now approaching the consideration of the financial condition of the Intercolonial Railway during the ten months ending April 30, 1904, as compared with the ten months ending April 30, 1903 ; and it will be my privilege to show wherein there has been an increase in the wages paid all over the line, in all branches and all departments of the Intercolonial—an increase which was justifiable in my judgment, by reason of the industrial activity and the requirements of the present time as compared with previous years. I will first give a comparative statement of the earnings and the working expenses for the month of April, 1904, as compared with the month of April, 1903 :

——	April, 1903.	April, 1904.
Earnings	$ 547,845.44	$ 577,959.50
Working expenses	483,899.47	482,653.83
Profit	63,945.97	95,305.67

——	10 months to April 30, 1903.	10 months to April 30, 1904.
Earnings	$ 5,292,639.69	$ 5,287,521.14
Working expenses	5,288,763.56	5,835,294.07
Profit	3,876.13	Loss 547,772.93

Showing that the month of April, 1904, so far as the earning power of the Intercolonial Railway is concerned, was a very much more favourable month than the month of April, 1903, and also that in April, 1904, we expended less, although we earned more, than we did in April, 1903. That is only a little bright spot indicating what I am hoping for during the remainder of this season.

I will now give a comparative statement for the ten months ending April 30, 1904, and the ten months ending April 30, 1903 :

One very material feature to be considered in connection with the financial condition of a road is the amount expended annually in betterments. We all recognize the fact that in addition to the ordinary expenses required to maintain a road, if the ordinary depreciation is to be arrested and the value of the property is to be in any way kept up, there must be in all departments—on the track, in connection with the cars, and on the equipment generally—an annual expenditure even more than sufficient to keep the road up to its normal condition. Now, I would invite the attention of the House to a statement which I will read with respect to the betterments made during the ten months ending April 30, 1903, in comparison with the ten months ending April 30, 1904 :

BETTERMENTS.

——	For 10 months ending April, 1903.	For 10 months ending April, 1904.	Increase for period ending April 30, 1904.
	$ cts.	$ cts.	$ cts.
Repairs to engines	376,596 29	403,023 85	26,427 56
Water	40,797 90	42,749 33	1,951 43
Repairs to passenger cars	131,837 82	125,896 38	5,941 44
Repairs to postal express and baggage	28,696 27	41,721 32	13,025 05
Repairs to freight cars and vans	347,442 84	347,110 80	332 04
Repairs to snow ploughs	13,249 56	6,591 36	6,658 20
Maintenance	1,217,423 12	1,310,204 99	92,781 87
	2,156,043 80	2,277,298 03	121,254 23
		2,156,043 80	
Increase in 1904		121,254 23	

Mr. BELL. That item of 'water' will not include rental for water or money paid for water ?

Mr. EMMERSON. No.

Mr. BELL. That is just for permanent structures, &c ? That is to say the total disbursement expenditure for betterments for the ten months ending April 30th, 1902 amounted to $2,156,043.80. And for the like period of 1904 to $2,277,298.03. An increase for the first ten months of 1904 of $121,254.23. That is the net increase in the expenditure for betterments.

Mr. DANIEL. Would my hon friend state exactly what these batterments consist of.

Mr. EMMERSON.

Mr. EMMERSON. I have explained that that means the maintaining of the line, ballasting, new ties, and all expenditures which go to improve the condition of the road. It will be seen from this that during this period of 10 months for 1904, the condition of the road has been looked after to the tune of $121,254 better than it was in the corresponding 10 months in the year 1903.

I could give to the House, if it is desired, a detailed statement as to the expenses for the ten months of 1904 as compared with the expenses of the corresponding period of 1903. The expenses for the 10 months ending April 30th, 1904, and April 30th, 1903, compare as follows :—

Intercolonial Railway.

Expenses for 10 months ended April, 1904, and April 1903.

	1904.	1903.	Increase in 1904.
	$ cts.	$ cts.	$ cts.
Locomotive power—			
Mechanical superintendent's salary, clerk's, office and travelling expenses	12,195 72	14,457 34	−2,261 62
Wages of drivers, firemen and cleaners	527,362 82	430,906 53	96,456 29
Fuel	1,051,194 94	922,258 14	128,936 80
Oil, tallow, waste and small stores	28,448 52	26,458 71	1,989 81
Repairs to engines, tenders and engine tools	403,023 85	376,596 29	26,427 56
Water, including pump and tank repairs	42,749 33	40,797 90	1,951 43
Miscellaneous	51,770 06	46,944 07	4,825 99
Car expenses—			
Repairs to passenger cars	125,896 38	131,837 82	−5,941 44
Repairs to postal, express and baggage cars	41,721 32	28,696 27	13,025 05
Repairs to freight cars and vans	347,110 80	347,442 84	−332 04
Repairs to snow ploughs and flangers	6,591 36	13,249 56	−6,658 20
Wages of conductors, train baggage masters and brakemen	540,023 38	416,045 33	123,978 05
Oil and waste for packing	7,323 01	8,381 98	−1,058 97
Small stores and fuel	122,449 53	132,809 63	−10,360 10
Miscellaneous	52,505 34	59,349 71	−6,844 37
Maintenance of way and works—			
Engineer and his assistants' salaries, clerks, office and travelling expenses	6,235 48	5,574 22	661 26
Wages in repairing roadway, fences, semaphores, &c	550,155 87	506,523 10	43,632 77
Rails and fastenings	160,974 07	172,758 55	−11,784 48
Ties	162,548 62	162,541 92	6 70
Timber, lumber, &c., for repairs to bridges, cattle-guards, fences, &c	183,460 95	161,461 62	21,999 33
Repairs to wharfs	26,040 16	12,985 87	13,054 29
Repairs to buildings and platforms	72,864 31	86,772 26	−13,907 95
Repairs to tools	16,392 22	16,373 93	18 29
Clearing ice and snow	129,263 73	89,180 68	40,083 05
Miscellaneous	2,269 58	3,250 97	−981 39
Station expenses—			
Salaries and wages of station masters, agents, clerks, telegraph operators, station baggage masters, yardmasters, switchmen, watchmen and labourers	610,280 45	529,951 63	80,328 82
Fuel, oil, light, stationery, tickets and other incidental expenses	120,399 59	123,950 84	−3,551 25
General charges—			
General manager, manager and general superintendent, district superintendents, train despatchers and traffic manager, general freight and passenger agents salaries, clerks and their office and travelling expenses	177,113 67	159,673 15	17,440 52
Treasurer, traffic auditor, cashier, paymasters' salaries, clerks and their office and travelling expenses	45,146 21	40,878 09	4,268 12
Advertising	32,185 55	31,558 44	627 11
Damages to men, animals and goods	21,492 52	18,838 00	2,654 52
Ferry service	57,224 96	64,334 99	−7,110 03
Telegraph expenses (not including pay to operators)	2,931 63	2,092 80	838 83
District freight and passenger agents and agency expenses	61,076 59	52,456 25	8,620 34
Miscellaneous	15,154 11	19,071 14	−3,917 03
	5,813,576 63	5,256,460 57	557,116 06
Deduct car mileage	94,949 24	84,363 69	10,585 55
	5,718,627 39	5,172,096 88	546,530 51
Add rental of leased lines	116,666 68	116,666 68	Nil.
	5,835,294 07	5,288,763 56	546,530 51

The decrease of $2,261.62 in the first item under the head of locomotive power—the item of mechanical superintendent's salary, clerks, and office and travelling expenses—was due to the fact that we had no superintendent of motive power this year. The salary of that official, during recent years, has never been less than $4,000, and the fact that no such official has been employed this year will explain that reduction in the expenses in connection with that office.

Mr. DANIEL. Is that official still in the employ of the government?

Mr. EMMERSON. We had no mechanical superintendent during the year, and it is only lately that we have secured the services of one. That explains why there was a less expenditure in connection with the mechanical superintendent's office in 1904 than there was in 1903. I may also mention that the increase in the item for advertising arises from the expenditure in connection with the St. Louis Exhibition.

Now we must deduct car mileage from these items. For 1904. we must deduct $94,949.24, and for 1903 we must deduct $84.363.69, an increase in the latter year of $10,585.55. That is to say you deduct from this increased car mileage on the Intercolonial the sum of $10,585.55, leaving the total increase at $546,530.51. Then you add the rental of the leased lines, if you will, during that period, amounting to $116,666.68 in each year. The total figures then stand as follows: For 1904, $5,835,294.07; for 1903, $5,288,763.56, showing a total increase of $546,530.51.

Now before leaving that branch of the subject, I have had a statement prepared summarizing the various increases, and giving the reason why the expenditure during ten months of the present fiscal year is so largely in excess of the expenditure of 1903, the excess amounting to no less than $546,631.51. Now how is that money expended? Why was it that during the first ten months of the present financial year we were called upon to expend so large a sum in excess of the expenditure made during the same period of 1903?

Now, I am going to show the House the gradual increase in wages from year to year and point out that there was a very large step forward in that direction during the year 1904. There was an increase, taking the same number of men, from 1896 to 1902, of $240,000; that is to say to the same number of employees in 1902 we were paying $240,000 more than we were paying to a like number of men in 1896. With the same number of employees we paid in the year 1903 $224,236 more than we paid in 1902.

Mr. CLARKE. How many employees were there in each year?

Mr. EMMERSON.

Mr. EMMERSON. Practically the same number. I have not the figures as to the exact number but I can furnish them.

Mr. CLARKE. Would it not be well to have the figures showing the number of employees in each year?

Mr. EMMERSON. I will be very glad to furnish that.

Mr. CLARKE. The number and the different classes of employees?

Mr. EMMERSON. Yes. For ten months of 1904——

Mr. BELL. You are giving the statement for ten months all along are you not?

Mr. EMMERSON. In the first two items I give a comparison of the full years 1896 with 1902 and also a comparison of 1902 with 1903. Now, I come to the ten months of 1904——

Mr. KAULBACH. Why do you lop two months off?

Mr. EMMERSON. Because I cannot make comparison with the two last months of 1904 and I have to take the first ten months of the previous year, 1903, and compare them with ten months of 1904 for which we have detailed statements. For the ten months of 1904 we paid out $344,395 in wages more than we paid out in the like ten months of 1903. There was a total increase in wages to the same number of employees practically between 1896 and 1904, of $808,631. The division of increased wages since 1902 has been as follows: Engineers and firemen, $122,640; conductors and trainmen, $144,504; trackmen, $143,682; station agents and operators, $151,805; making a total increase of $568,631. That does not take into consideration any increase in wages between 1896 and 1902.

Mr. CLARKE. May I ask the hon. gentleman how the engineers, firemen, brakemen and conductors are paid?

Mr. EMMERSON. Do you mean by the month?

Mr. CLARKE. Or by the day?

Mr. EMMERSON. A certain run figures out so much. It may be a day, or a day and a half, or a day and a third. I think that is the practice.

Mr. CLARKE. Are these figures for exactly the same number of runs or are the increases accounted for because these men have had to do additional duty and make longer runs?

Mr. EMMERSON. Not at all. These figures arose by reason of the representations which were made to the department and to the minister then in charge that the enginemen, conductors and trainmen on other railways in Canada were receiving

larger compensation than the government railway was paying and the principle was recognized, measurably at least, if not to its full extent, that the government railway should pay as high a standard of wages as is paid by other corporations throughout Canada. Recently, when the Telegrahers Union were heard by myself, it was shown conclusively, especially in respect to the Canadian Pacific Railway on their eastern division, that they were paying a larger wage and larger salaries than were being paid by the Intercolonial Railway. I ventured to recognize the justice of the claim and there has been and will be found to be an increase in the expenditure of the department because of the action taken by myself at the time they were here. The same is true in respect to the section men, the conductors, the brakemen, the locomotive drivers and firemen, and in fact in all branches of the service. In the stores department, even, among the freight checkers, and the freight handlers at all points along the Intercolonial Railway there have been large increases. In some instances the increases have ranged from twenty to twenty-five, and even there have been increases within the last two or three years of fifty-per cent in the wages paid to the employees of the Intercolonial Railway for the purpose of recognizing the right of these men to be paid a wage equal to the amount paid for like services by other roads. In addition to that the industrial life of the country is such that men can receive from private corporations larger wages than have been paid by the Intercolonial Railway. Take it down in the maritime provinces, at Moncton, at Amherst, anywhere along the line where there is great activity in the industrial life of the country, private corporations, foundries, machine shops, in fact in all branches of industrial life, they are paying a larger wage than that which was being paid to the men by the Intercolonial Railway. Therefore, it was found necessary, just and equitable, that there should be this increase. By reason of such an increase, by reason of the recognition of the claims of labour, I am forced to-day as representing the Railway Department to acknowledge before parliament and to present to the country a financial condition that is not as we would like it to be.

Mr. CLARKE. What was the wage bill in 1903 as compared with 1896 ?

Mr. EMMERSON. I will give it to you in this way : In 1902 the increase over 1896 was $240,000, and in 1903 the increase over 1902 was $224,236.

Mr. CLARKE. How many men were affected in each case in that wage circulation ? That is the entire staff of the Intercolonial Railway whose wages are being compared with the entire staff of the Intercolonial Railway in 1896 ?

Mr. EMMERSON. Yes.

Mr. CLARKE. That is the point I want to make. It is utterly impossible to make any comparison unless we are furnished with the number of employees. This statement which we are listening to this afternoon is a statement for the ten months ?

Mr. EMMERSON. Yes.

Mr. CLARKE. Has it been the practice to bring down a statement for a period of ten months ?

Mr. EMMERSON. I have found by reference to 'Hansard' that the statement is usually made in May, and it commences with an analysis of the preceding year, and is followed by an analysis of accounts for the current year which usually can only be brought up to the 30th of April. I am following the usage. I feel it my duty to lay before parliament the details of the increased expenditure, so that it may be apparent how it was caused.

Mr. DANIEL. Could not the minister include the figures for the month of May, and give us the statement for eleven months?

Mr. EMMERSON. I gave that statement the other day in answer to a question and it appears in 'Hansard.' I wish to place in concentrated form this increased expenditure, and the items which occasioned it, and so I have had prepared the following table :

Increased expenses for 10 months of 1904 :—	
Wages	$344,394
Fuel	128,937
Repairs to engines	26,427
Repairs to postal, express and baggage cars	13,025
Repairs to bridges	22,000
Repairs to wharfs	13,054
Head offices	17,440
District agencies	8,620
Snow clearing	40,083
	$613,981

Mr. CLARKE. What is the cause of the increased expenditure for fuel ?

Mr. EMMERSON. I think it is largely due to the fact that the price of coal has been increased.

Mr. CLARKE. What is the average price of the last ten months compared with the ten months of the previous year ?

Mr. EMMERSON. We have larger locomotives, and we have been doing more business.

Mr. CLARKE. Are there more men employed ?

Mr. EMMERSON. I do not think so.

Mr. CLARKE. Are the men doing more work ?

Mr. EMMERSON. I would suppose that the larger locomotives are using more coal. One of these large locomotives will do the work of two or three of the smaller locomotives while it only requires the same number of men to work it. It will be noticed that the cost of snow cleaning has been increased over the previous ten months by $40,083, and this was of course due to the extremely severe weather of last winter, and it is a condition which I think you will find prevails on other railways. Adding together the increased cost of wages and fuel since 1896, the result is as follows :

Wages..	$1,047,259
Fuel..	831,701
Total..	$1,878,960

We have thus paid for wages and fuel $1,878,960 more during the ten months than we paid in 1896, and that notwithstanding the fact that the railway has only increased fifteen per cent in mileage.

Mr. CLARKE. What has been the increase in traffic in that time ?

Mr. EMMERSON. There has been a very large increase in traffic, but I have not the figures at hand.

Mr. CLARKE. Surely these figures must be available ?

Mr. EMMERSON. They are, and my hon. friend can turn them up very readily. I did not think it was necessary, for the purpose of making my explanation, to have that information here ; but if my hon. friend wishes the information, and will turn to 'Hansard' of May, 1903, it is there given very fully by the Minister of Railways of that day, Mr. Blair.

Mr. CLARKE. Is not the hon. gentleman making a comparison of ten months of 1904 with ten months of 1896 ?

Mr. EMMERSON. No ; I have told my hon. friend that for the ten months of 1904 we have paid out in wages and fuel $1,878,960 more than was paid in the whole year 1896.

Mr. CLARKE. Will the hon. gentleman allow me to ask him a question ? Having given us that statement, iterated and reiterated again and again, can he tell us what was the traffic for the ten months of 1904 and the corresponding ten months of 1896 ? The hon. gentleman refers me to 'Hansard.' How could I obtain there the traffic returns up to May 1st ? Surely the hon. gentleman has those under his hand and could give them to us?

Mr. EMMERSON. My hon. friend asked for the traffic returns of 1896. I have given the traffic returns for the ten months ending April 30, 1904, but I have not the figures with respect to 1896, and therefore I cannot make these comparisons. My hon. friend can do that at his leisure, and will have the opportunity of presenting that feature of the case, if he wishes to do so, at a later stage.

Mr. HENDERSON. Very kind.

Mr. EMMERSON. Well, I would not be outdone in kindness by my hon. friend. Now, I wish to give a statement of the items of capital expenditure for each of the following years :

INTERCOLONIAL RAILWAY.

Capital expenditure for each of the following years.

For the year ending 30th June, 1896	$ 259,105 23
For the year ending 30th June, 1897..	149,112 52
For the year ending 30th June, 1898..	252,756 80
For the year ending 30th June, 1899..	1,081,929 94
For the year ending 30th June, 1900	1,796,348 29
For the year ending 30th June, 1901..	3,652,313 46
For the year ending 30th June, 1902..	4,670,590 80
For the year ending 30th June, 1903..	2,216,744 88

Mr. DANIEL. What about 1904 ?

Mr. EMMERSON. I have not that.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Mr. EMMERSON. Mr. Speaker, in order that there may be no misunderstanding as to the comparison which I made between the years 1896 and 1902 as regards the increase of wages on the Intercolonial Railway, I would like it distinctly understood that the meaning which I wished to convey to my hon. friend from West Toronto (Mr. Clarke) was that in 1902 we paid $240,000 more to the same number and the same classes of employees. I would refer hon. members to a statement made by Hon. Mr. Blair, ex-Minister of Railways and Canals in his presentation of railway conditions during the session of 1903. His remarks will be found at page 3643 of 'Hansard.' He is there dealing with the increase of wages as between those two periods for an equal number of employees. Mr. Blair then said :

I show you a surplus for the year ending 1902 of about $96,000, and I am able to do this notwithstanding the fact that we paid in wages last year on the Intercolonial Railway $240,000 more money than was paid in 1896 in respect of precisely the same number and class of employees. I am not seeking to make an unfair comparison, but am comparing the wages of exactly the same number and the same class of employees as the hon. gentleman had in 1896 ; and I tell this House that, in respect of that same number and that same

class we took out of earnings in 1902, $240,000 more than he did in 1896 and distributed it among the employees. If we had not shown better results than my hon. friend was able to show—and this is the point I wish to make—we would have had a deficit of about $140,000 instead of any surplus whatever. The wages we pay are not excessive; no man will say that we pay more than we ought to pay or more than other railways are paying. But, if we paid $240,000 more in 1902 than the hon. gentleman paid for the same number and class of employees in 1896, I am entitled to claim that our showing for last year is $240,000 better than his would have been under the same conditions.

In the summary which I read to the House I showed how these increased wages and items had amounted to upwards of $600,000. I also showed that the wages paid to the same classes of employees and to practically the same number of men in the ten months of 1903. I know that the number of men has not been increased in 1904, nor in 1903; there has been no increase in the number of employees all along the line. As vacancies occur we of course supply new men, but there has been no general increase in the number of employees. I want to emphasize this fact to the House as I think it is a very material fact. I have already given to the House the apportionment of this total increase of wages of $568,631 since 1902, it was as follows:

Engineers and firemen	$122,640
Conductors and trainmen	144,504
Trackmen	143,682
Station agents and operators	151,805
Total	$568,631

I have not given there—nor have I sought the information—the increases to the machinists, the carpenters, and men of that class, the trackmen, the freight handlers, freight checkers, and the employees generally around the shops at Moncton, at Richmond, at St. John, at Rivière du Loup, at Lévis, at Port Tupper. All of these increases might be given in addition to that item of $567,631. They come to a large amount, and although I have not the exact figures, I can say that they will largely increase this total, because on the 1st of January a general increase was given to every machinist and every skilled workman along the line of the Intercolonial Railway no matter what his employment. In the fall of 1902 a schedule was established whereby the men received what was practically a statutory increase, which was automatic in its character, so that length of each man's service, the hours that he had worked during the year and the attention he had given to his work entitled him to an increase. Thus in addition to this amount there is a large sum which might fairly be taken into consideration in judging as to the amount of wages paid in 1904, as compared with 1903, and also the amount paid in 1903, as compared with 1902.

Mr. Blair showed that $240,000 more wages were paid in 1902 than in 1896. I have shown in my statement this afternoon an increase of $244,232 for wages in 1902, to the same class and number of employees and I have also shown an increase of $344,395 in wages to the same classes of employees and to practically the same number for the ten months of the current fiscal year, 1904 over the ten months of the fiscal year 1903. I have shown the classes of employees who have received these increases and I promise my hon. friend from West Toronto an exact statement as to the number of employees at the commencement of 1902 and at the close of April last. I have not that information in detail but I will furnish it. As the hon. gentleman desires a comparison of the scale of wages in 1896 and in 1904, I promise him ample details, but I warn him what to expect. It is not so many years since the trackmen on the Intercolonial Railway were being paid $1.00 a day and this was increased in 1896 to $1.10 or $1.15; but in 1898 the rate was increased to $1.20 and within the current year, that is the year ending June 30th, 1904, this rate was increased to $1.40 and $1.50 per day and these same trackmen are to-day receiving that wage. Then also, in 1900 the labourers along the Intercolonial Railway were getting $1.10 to $1.15. I do not here refer to trackmen, because to some extent at least you would refer to them as skilled workmen; I am now referring to labourers who would not be recognized in any way as requiring any skill in the performance of their work other than strength and health and physique. These men in the year 1900 received an increase from $1.10 to $1.20 and since that time, during the current year they received a further increase to $1.30 and in many instances to $1.40 a day. So that with such a large number of men distributed along the line of the Intercolonial from Sydney to Montreal and from Halifax to St. John, the amount has grown very considerably. I have not shown the exact details with respect to the men in the shops, but I have shown them with respect to the trainmen, the enginemen, the telegraphers, the station agents and the trackmen. And I have shown that the total increase of wages for 1904—and that only takes into consideration the first ten months of the year—means an increase of upwards of $808,000 as compared with the amount paid in 1896.

I mentioned that I have not a detailed statement with respect to the month of May last. But we have a statement of the receipts and expenses for that month.

Statement of receipts and expenses, Intercolonial Railway for 11 months ending May 31, 1904, and same period, 1903 :—

	Receipts.	Expenses.
1904	$5,796,494 09	$6,381,876 48
1903	5,790,876 93	5,720,550 30

This shows a profit for the eleven months ending May 31, 1903 of $70,317.63, as against a loss during the eleven months of 1904, of $585,382.39. It shows also that the receipts for the eleven months ending May 31, 1904, were $5,621.16 in excess of the same period for the previous year, while the expenses for the eleven months ending May 31, 1904, were $61,326.18 in excess of the similar eleven months of the year preceding.

Mr. HAGGART. Has the hon. minister the estimates for the month of June ?

Mr. EMMERSON. I have not made an estimate for June.

Mr. HAGGART. I mean the ordinary estimate furnished the minister at the beginning of every month as to the probable receipts and expenditures ?

Mr. EMMERSON. I have not that with me. Now, the figures which I have presented to-day, particularly as respects the current year ending 30th of June last, rather cause one to reflect as to the conditions surrounding the Intercolonial Railway. In presenting the figures, I have no apology to make. I bear in mind this fact—that the Intercolonial was built, not as a commercial railroad, but as a railroad necessary in the interest of the Dominion with a view to cementing the separated provinces. I recognize the fact that the business element did not enter very largely into consideration in the choice of routes. I recognize, more than that, that there was, at the inception of this Dominion, a condition of things that led the framers of confederation to take all these elements into consideration. And, finally I recognize that these conditions have not very materially changed. The long route was chosen. That portion of the Intercolonial which, speaking generally, may be described as the line to connect the provinces of Nova Scotia and New Brunswick is to-day a paying portion of the line. The portion which has not paid is that long route around the northern section of New Brunswick to the St. Lawrence river, and so along its shore. Now, what were the conditions which prevailed at that time ? The people of the maritime provinces had free use of a very cheap means of transportation from the markets of the world to practically every community throughout those provinces—they had the Atlantic sea-board. Their importations were very largely by water. The whole southern coast of Nova Scotia was within a stone's throw of Boston. The Chignecto bay and Minas basin sections of the Bay of Fundy were in close touch with the American sea-board and carried on their commerce of export and import day by day throughout the whole season—not merely during the time of summer navigation but throughout the winter months as well. That was not, it will be acknowledged, in the interest of the Dominion, it was not in harmony with the idea of a confederation of the provinces. It was necessary that some attempt should be made to bring about an interchange of products between the people of Quebec and Ontario and the people of the maritime provinces. A great many people say that the route was chosen and the road was built for the benefit of the people of the maritime provinces. I take issue at once upon any such statement. It was specially in the interest of Ontario, of the wheat-growing sections, the flour producing sections of our Dominion that there should be rail transportation between those sections and the maritime provinces. And, in order that that rail transportation might be practically effective, it was necessary to establish rates which would enable interchange to take place.

The Intercolonial must be recognized as bound on two sides by great waterways. During the summer months it must compete with the navigation in the Gulf of St. Lawrence and in addition in the Straits of Northumberland, where sea-going vessels can reach every section of the north shores of New Brunswick, every section of Prince Edward Island and of Cape Breton, and many sections of Nova Scotia ; while on the other hand the Intercolonial must compete with the water-ways of the Atlantic sea-board, it must compete with the Portland traffic from Ontario by rail, if necessary, or with the traffic to Boston, and thence by water to different sections of the maritime provinces. Necessarily the rates had to be low, they had to be trimmed with a view to meeting this very serious competition. We are told to-day that the lakes are competing with railway transportation. If there is any force in that argument with respect to inland trade, there is ten-fold force in it with respect to the competition with which the Intercolonial is met by the Atlantic sea-going vessels during all seasons of the year, and during the summer months by navigation on the St. Lawrence. Now those conditions prevailed, and it was necessary to establish freight rates which, I grant you, might from one standpoint be considered as conventional, but which are a necessity if you are to cement these provinces together and bring about the interchange of trade which is so necessary for the well-being of the Dominion. To-day we are suffering in a measure because of that. While it is true that the traffic on the Intercolonial has grown, while it is true that trade has grown, there has not been one per cent of an increase in the rates during all that period; and the people of the east parti-

cularly, and the people of the west as well, the merchants of Montreal, of Toronto, of Hamilton, of Guelph, of all the manufacturing centres of Ontario and Quebec, the very moment there was the slightest intimation of an increase in the freight rates along the line of the Intercolonial, would enter a protest, and the government, I care not what government might be in power and administering the affairs of the Intercolonial, would be powerless to make such increases along the line of the Intercolonial. I do not believe it would be in the interest of the trade of the Dominion to do so. I believe that the Intercolonial is destined to be one of the greatest and most valuable assets of the Dominion. Although you cannot measure its benefits by dollars and cents, I believe that in the past it has been one of the best assets of the Dominion of Canada in cementing the provinces together, in making the people of the various provinces acquainted with each other; and in that way it has been rendering a service to the Dominion which no other agency could perform.

Now, Sir, the problem which confronts the Department of Railways at this moment, and which confronts me as responsible for the administration of the government system of railways, is this: We have recognized the requirements of labour, we have recognized that because of the conditions which prevail in all sections covered by the Intercolonial, it is necessary to pay the employees of that road a better wage than has hitherto been paid. We have recognized that in all departments. We shall be obliged further to recognize that because of the industrial growth of the country, because of the conditions which prevail to-day. Everywhere there is activity. The employees in the industrial establishments along the line of the Intercolonial are receiving a much higher rate of wage than they were receiving a few years ago. To-day the Canadian Pacific Railway is paying a higher rate of wage to its employees, and I am sure I am within the judgment of this House when I say that the government of Canada cannot afford to pay a less rate of wage to its employees than does the Canadian Pacific Railway Company. True, you may say that the Canadian Pacific Railway is a dividend paying corporation, that large sums are being distributed year by year among its shareholders. Still I say that although the Intercolonial cannot show as favourable a balance sheet, although it cannot make the same distribution of its earnings, yet in many other ways it is making a return to the people of the Dominion, not merely to the people of Quebec and the maritime provinces, but to those of Ontario and the west, which cannot be measured in dollars and cents but which has a value above all pecuniary considerations. Therefore we must recognize that we cannot enjoy this advantage without paying a fair and just equivalent to the men who are engaged in the management and operation of that railway. This will be admitted, I am sure. Moreover, we must recognize that these wages are a fixed charge upon the Intercolonial. You cannot reduce them. Nor are you in the same position as a private corporation, who, when they increase the wages, can at the same time increase the rates. Not many weeks ago we saw in the newspapers a statement to the effect that some railway corporations that were obliged to pay higher wages to their employees were at the same time turning the screws upon their patrons and charging them a higher freight rate. The Intercolonial cannot do that. If it is not found in written words in the compact of confederation, there is a conventional understanding recognized by all, that the rates on the Intercolonial shall not be increased, and that the people shall enjoy the benefits of that road at the lowest rates compatible with its maintenance. These benefits are equally accessible to the manufacturing industries of western Canada and to the merchants and distributors. The good resulting is not confined to any one section of Canada. Therefore it is a problem to which, while I have the honour to hold the position I now occupy, I must address my every energy. I shall act with zeal and activity to see if something cannot be done whereby the financial conditions of the Intercolonial can be improved. I believe that can be done in a measurable degree by the modernization of the road. It is true, we have started out to remedy many defects with respect to curves and gradients. I believe that work should continue. We are endeavouring to secure the very best and most modern equipment, improvements in the class of locomotives, in the class of cars, making stronger bridges, and other betterments to harmonize therewith. You cannot have heavy engines without having heavier bridges, you cannot have large trains passing over the road without removing the defects in its curves and in its gradients. Modernize the road and I feel assured that you can minimize the expense in carrying the traffic over it. The question of passenger traffic, as far as it relates to the whole line, must be recognized in this light, that we carry passengers from Montreal to St. John for the same rate as is paid to the Canadian Pacific Railway, and yet there is a very great discrimination against us in the matter of distance. The same is true in respect to the carrying of our freight. We can only charge the same rates as are charged by the Canadian Pacific Railway and yet we have the longer haul. We have additional employees to be paid. We cannot certainly do it at the same rate. Our expenses upon the whole

must be necessarily larger. We have a longer mileage and yet we are paid according to the minimum mileage. Under these circumstances I am sure this House and the country must recognize the difficulties in the way of making the Intercolonial Railway the success that we all hope and desire it may be. I shall have to address myself to the solution of these problems. I do not know how successful I may be, but in so far as the modernizing of the road is concerned, if that can be accomplished and if parliament will aid in the accomplishment of that by generous and substantial votes, we will have accomplished some good in that direction and in the maintenance of the road. I do not pledge myself that we shall skimp the employees, that we shall starve them or that the pay that is given to them shall in any way show a shrinkage because of the conditions with which we have to deal. The men of the Intercolonial Railway must be paid equal to men anywhere in Canada. That is their due, it is their right, and I do not think that there is any spirit in this parliament or out of it anywhere in Canada which would favour a proposal that these men shall be underpaid or paid less than is paid by private corporations in employment of a like character. There is, I think, reason for very great hope in the matter of the traffic in the eastern section of our Dominion and along the line of the Intercolonial Railway. It is true that in respect to the Sydney trade we are obliged to give very reasonable rates in competition with the water rates. It is true that in bringing our coal from the Nova Scotia collieries to Montreal—and we can get very little above that city—we are obliged to give the very lowest possible rates in competition with the water rates. It is true we cannot load these coal cars on their return with the ordinary merchandise that goes from the western section of the country to the eastern districts. It is true that all these are disadvantages under which we labour, but there is growing up along the line of the Intercolonial Railway in New Brunswick and Nova Scotia industries which will contribute year after year, which are contributing to-day, which have contributed the last year very materially to the freight traffic of the Intercolonial Railway. I have endeavoured to deal with the financial conditions in a frank and candid manner. I do not wish to withhold one single feature from this House or from the country in respect to the management of the road. I believe that the road, although it shows a deficit, more than makes up its equivalent in another way, and I believe that the Intercolonial Railway should be and will be sustained and maintained by the people of Canada.

Mr. HAGGART. Before the hon. gentleman (Mr. Emmerson) sits down I would be obliged to him if he would be kind enough to answer a question or two which I now desire to ask him. He gave the receipts and expenditure of the Intercolonial Railway up to the 31st May last. Did he give the same in reference to the Prince Edward Island Railway and would he be kind enough to give the capital expenditure on both of them up to the 31st May last?

Mr. EMMERSON. I have not dealt with the affairs of the Prince Edward Island Railway at all. I have simply followed the practice in this House of dealing with the Intercolonial Railway proper. My attention had not been directed particularly to the Prince Edward Island Railway. I have given the capital expenditure down to the 30th June, 1903. I have not presented the figures for the ten months to the 30th April, 1904. They are not wholly made up. None of the details are given me in respect to even the current revenue and expenditure down to the 31st May. I have given the totals in respect to that month, but I will be very happy to furnish the capital expenditure, giving the details down to the 30th April, and if we have the information here down to the 31st May.

Mr. HAGGART. On capital account?

Mr. EMMERSON. On capital account.

Mr. HAGGART. Would you just please state the amount?

Mr. EMMERSON. I say I will give it later on. I have not the information now.

Mr. HAGGART. As I had not the pleasure of hearing the hon. gentleman before six o'clock and only a small portion of his speech since eight o'clock I will take an opportunity at a later time of replying to the hon. gentleman's remarks when I read them.

Motion agreed, to and House went into Committee of Supply.

Department of Railways and Canals—salaries, including C. W. Ross at $1,700, notwithstanding anything in the Civil Service Act, $48,975.

Mr. HAGGART. Why is this increase given to Mr. Ross?

Mr. EMMERSON. He did not receive the increase in previous years. It seemed to be just that he should receive it.

Mr. HAGGART. Your statement is that he has not been getting his annual increases for three years, and you are making it up to him?

Mr. EMMERSON. Yes.

Mr. HAGGART. That is not satisfactory. If Mr. Ross was entitled to an annual increase of $50, and he did not get it there should be some reason for not giving it to him.

Mr. LENNOX. This granting of increases in this form looks very suspicious. If the department is in default it should be admitted.

Mr. EMMERSON. I do not think any annual increases were given for a certain time. It was brought to my notice that Mr. Ross was a very efficient officer and had been for a great many years in the service. The deputy minister recommended this and I recognized the justice of his claim and concurred in the recommendation.

Mr. LENNOX. Was an application previously made and refused ; if it was refused on what ground ? If it was refused, why is it allowed now ? Are there others in the department in the same position, and if so why have they not been recommended for this payment of arrears ?

Mr. EMMERSON. I am not aware that any application had been previously made. This was recommended to me by the deputy minister and I concurred.

Mr. LENNOX. I do not think any of us believe that if an official knows that he is entitled to an annual increase he would allow the matter to go by without mentioning it. Are we to understand from the minister this official did not ask for his increase from year to year ?

Mr. EMMERSON. I never heard that there was any application or refusal.

Mr. LENNOX. Before we consent to evade the Civil Service Act in this way we should have a complete explanation.

Mr. EMMERSON. It would appear that for two years he did not get his statutory increase, and he is getting it now.

Mr. HAGGART. I presume that all these other gentlemen in the department were recommended for statutory increases for two years past, and they did not get the increase ? Why is the exception made in the case of Mr. Ross ?

Mr. EMMERSON. No other applications came before me ; there are some others in the supplementaries.

Mr. HAGGART. I have not the slightest doubt, but that the deputy minister recommended the annual increase but his recommendation has not been acted upon except in this case. Why is an exception made in Mr. Ross's favour ?

Mr. EMMERSON. I can only repeat that there have been other recommendations, and no other applications brought to my notice.

Mr. HAGGART. I think the deputy minister will tell the hon. gentleman that last year and the year before he recommended statutory increases, and if he did they were not given to those entitled to them. The statutory increases are given to the others for this year only, and why is it that Mr. Ross is made an exception and gets an increase for three years ?

Mr. EMMERSON. I have no doubt my hon. friend would concur with me as to the efficiency of Mr. Ross. I think he was an appointee of my hon. friend.

Mr. HAGGART. I am not at all doubting his efficiency.

Mr. EMMERSON. I quite expect to have my hon. friend's concurrence in the proposition. At the time this matter came under my notice, when these estimates were being prepared, there were no other applications. I understand that no action had been taken for two years.

Mr. HAGGART. Oh, yes, there was. There were increases last year and the year before.

Mr. EMMERSON. My attention was called to this particular officer, and I concurred in the recommendation. My attention had not then been called to any of the others.

Mr. J. D. REID. Who drew the hon. minister's attention to this particular man ?

Mr. EMMERSON. The deputy minister.

Mr. J. D. REID. And he was the only one in the whole department to whom the hon. minister's attention was drawn ?

Mr. EMMERSON. The only one.

Mr. LENNOX. Does the minister say that his deputy did not last year draw attention to the fact that this official was entitled to a statutory increase last year and the year before ?

Mr. EMMERSON. He got it last year.

Mr. LENNOX. Did he get it the year before ?

Mr. EMMERSON. No.

Mr. LENNOX. How many arrears are there ?

Mr. EMMERSON. There are two years of arrears.

Mr. LENNOX. What years do they refer to ?

Mr. EMMERSON. The deputy minister cannot tell me what years they refer to.

Mr. LENNOX. This is surely a most absurd condition of things. Last year we paid what was asked of us. For some years long gone by, for some reason known only to the minister, we are asked to go back on a record and hunt up some imaginary case like Mark Twain's great American beef contract, I suppose, and pass this item. I think the minister will have to let the item stand until he can give us some information about it.

Mr. BARKER. What class was Mr. Ross in last year ?

Mr. EMMERSON. The first class, so I am informed by the deputy. I am not familiar with the classification of the men in the office.

Mr. BARKER. There were four increases last year of men in the first class. Mr. Ross was in the first class last year and was passed over, there must have been some reason for it. What has happened since ?

Mr. EMMERSON. He received an increase last year, I am informed.

Mr. BARKER. For the preceding two years there must have been an opinion that he was not entitled to it. Why are you coming this year and going back on two years ago ? I think we ought to have definite and clear information on this point before we pass the item.

Mr. EMMERSON. I would like very much to give the information, but I am not familiar with the years myself, the deputy cannot tell me the exact years, and I do not see the materiality of the exact years. This is after all simply a question as to whether justice should be done to Mr. Ross. He has been a long time in the department, he is an efficient officer, and I am acting on the deputy's recommendation.

Mr. HAGGART. Here is a clerk in the department singled out from the whole department and given two years' increases of $50 eash, while no other clerk gets any. Nothing demoralizes the service more than the selection of one particular man for an increase unless he has some peculiar qualifications. If he has, let us know it, and the House will grant with pleasure whatever is right to a deserving officer.

Mr. EMMERSON. I have not been long enough in the department to have a personal knowledge as to the relative merits of the different officials, but I was informed by the deputy minister that Mr. Ross was a very efficient officer and was entitled to this increase.

Mr. LENNOX. I do not see the relevancy of the minister's remarks that he has been such a short time in the department that he does not know. We have no means of knowing anything about it except through the minister. Perhaps two or three minutes or half an hour would acquaint us with all the details we require We do not want to vote this money in the dark, and if the minister has not had time up to the present to ascertain the facts, he should let the item stand until he can ascertain them and communicate them to the committee.

Mr. EMMERSON. I stated that there were two years. The deputy informs me that he does not remember the exact years, but he thinks they were 1897 and 1898. I do not think it is material what the particular years were. It did not seem to me to be material, and I have not searched the records of the department in order to secure the information. I would be prepared to bring the information later on, but I think my hon. friend would not wish the matter to stand until then.

Mr. BARKER. I would like to call the attention of the minister to another feature of this item. Last year there were four first-class clerks at $1,800 each. This year there are three first-class clerks at $1,900 each, so that each of them has apparently got an increase of $100, one at $1,850 and one at $1,700. If I understand the minister the statutory increase is $50.

Mr. EMMERSON. There are three of $50, statutory increases.

Mr. BARKER. How can that be when three of these four last year received $1,800 each and this year received $1,900.

Mr. EMMERSON. Last year they were getting $1,850.

Mr. BARKER. I have the estimates here as they were introduced last year and there were four first-class clerks at $1,800. You have now three at $1,900 and one at $1,850. That one seems to have got the regular increase but three of them seem to have got $100 each. While the minister is looking into the other questions he might also look into this.

Mr. EMMERSON. The three first-class clerks referred to received $1,850. Some provision must have been made in the supplementary estimates, and they are now increased to $1,900. I can give the names if they are desired.

Mr. BARKER. I do not expect the minister to reply now but I would like to know the explanation of this matter. Last year there was one first-class clerk at $1,400, but that gentleman seems to get $1,550 this year.

Mr. EMMERSON. That was a first-class clerk who was getting $1,450.

Mr. BARKER. He is down in the printed estimates submitted to the House as a first-class clerk at $1,400.

Mr. EMMERSON. I think that was changed in the supplementary estimates. The records of the department show $1,450, and he gets the statutory increase now to $1,500.

Mr. J. D. REID. The minister pleads ignorance of his department so far as this is concerned. During the whole Grand Trunk Pacific debate the Prime Minister stated that the Minister of Railways was absent from the House because he was getting up the work of his department, and

studying the manner of running it. After having two or three months of good hard work learning his department it is rather an awkward position for him to come before the House to-night and say that he does not understand anything about the department. He states that this increase to a civil servant was recommended by the deputy minister. I believe, and I think it is the opinion of every member in this House, that the deputy minister is first instructed to make any recommendations that are made and that this is done so that the minister can fall back on the deputy if necessary. We have here one gentleman getting an increase and the minister has not shown to my satisfaction why the increase is given to him. There are a good many other civil servants in that department who I believe are entitled to increases. I am not objecting to Mr. Ross getting an increase if he is entitled to it, but I want to know why others are not getting increases who are as well entitled to them as he is. If we cannot get an explanation of this I am prepared to stay here until the minister can go to his department and get the information.

Mr. EMMERSON. I would gladly give all the information required with respect to the matter, but I think that my hon. friend is perhaps going a little far when he says, because I say I do not know in which of two years an increase was granted, that therefore I make the admission that I know nothing whatever about the department. I do not expect to grasp the whole details of the department at once, but I think the information which I have afforded the committee at this stage is ample to satisfy any reasonable expectation as to why it was proposed to give this increase. As I have stated, he is an old official. At the time the recommendation was made I did not know anything about him. My information came direct from the deputy minister and I would have expected my hon. friend from Lanark (Mr. Haggart) to have supported me in reference to this official as he appointed him.

Mr. COCHRANE. Do not get off on some highfallutin' talk like that.

Mr. EMMERSON. My hon. friend will surely permit me to express an expectation.

Mr. COCHRANE. You have expressed that so many times that it has got old and stale. Is it a usual course to withhold the increases for two or three years and then give them in a lump sum ? The minister thinks that we are a little harsh in wanting to get the information and says that he cannot be expected to have it all in his head. Well, I do not know why he should not ; there is plenty of room for some information. This is an unusual course and I think it is the minister's duty to have the information. While the minister may smile it is not a joke with me at all, because it is the money of the people we are asked to vote here, the people who are working hard to earn the money that the minister is expending. This is an injustice to the other first-class clerks. I have not as much sympathy for these gentlemen as some people have. I think they are paid as well as most people in this country, but I say it is a cruel thing to all first-class clerks in that department who are perhaps working as well as this gentleman, but who do not get increases, that we should vote an increase to this one man. It does not matter whether this gentleman was appointed by the hon. member for Lanark (Mr. Haggart) or not, the fact remains, that he did not get his increase when he should have got it, and the question is why he should get his increases now, when other officials in the same department are not getting them.

Mr. J. D. REID. As I understand this gentleman got $1,500 this year.

Mr. EMMERSON. $1,550.

Mr. J. D. REID. And now he is increased to $1,700. It is an increase of $150 practically from his previous salary.

Mr. EMMERSON. With the statutory increase he would have got $1,600 any way. In addition it was proposed that he should get two years upon which action had not been taken. I should be very sorry to hurt the feelings of my hon. friend from Northumberland (Mr. Cochrane) in voting the people's money. But it struck me that the item was fair and just as represented by the deputy minister.

Mr. HAGGART. The minister will notice that the secretary of the department is increased only $50 and the same with the accountant, the chief clerk and the correspondence clerk, while the law clerk is decreased $125. There is another anomaly. I see it stated here ' salaries, including C. W. Ross, $1,700, notwithstanding anything in the Civil Service Act.' The minister intends that to apply only to Mr. Ross ?

Mr. EMMERSON. Yes.

Mr. HAGGART. Then, how can he pay the salaries to the first-class clerk, three at $1,900, one at $1,750, and one at $1,700, when each of these is increased $100 ?

Mr. EMMERSON. No ; we have given them only the statutory increase ; they were getting $1,850 last year.

Mr. BARKER. I cannot find that increase in the supplementary estimates.

Mr. EMMERSON. I can give the names of the three. The record I have here, shows Mr. Stewart, Mr. Filteau, and Mr. Currier.

They were getting during 1903-4, $1,850, and this vote proposes to give them the statutory increase. With respect to the law clerk, Mr. Ruel, he had been law clerk, and his salary had reached $2,100. In the change, and promoting a new man to that position, it was deemed wise that the new law clerk should not get the same salary, as he had not had equal experience.

Mr. HAGGART. What was his predecessor appointed at as law clerk ?

Mr. EMMERSON. I think that Mr. Ruel began at $1,400.

Mr. HAGGART. Why do you give this man $1,925 ?

Mr. EMMERSON. It was recognized that the salary at which Mr. Ruel began was out of proportion to the amount of work required, and to the professional skill required for the duties.

Mr. LENNOX. As we are beginning the estimates of the Minister of Railways, and as he himself is beginning those estimates, it is important that we should begin on a right basis. The minister says he has given us all the information he has. I admit it. But that is not the issue. We may have all the information that the minister has, and yet not have all that the committee and the country should be put in possession of. All we know is that last year this official got an increase of $50, and the deputy minister recommends the minister to give him, in addition to the statutory increase for the present year, certain arrears amounting to $100. But the minister does not know in respect of what years this $100 is to be allowed. It seems extraordinary to me that the minister should be in that position, unless, like some other people, he wishes to close his eyes to certain things, because, I should think that a minister so alert as the hon. gentleman, when a proposal of this kind was brought before him, would at once ask how it could be justified, and a few questions asked at the proper time would give him all the necessary information. And I think we should commence properly and insist that the minister should give us not only such information as he has but such information as the people ought to have. And I think I am saying only what will be accepted by hon. gentlemen on both sides that we have not the information to judge of this matter.

Mr. EMMERSON. I appreciate the desire of my hon. friend (Mr. Lennox) to start me right. But, it seems to me that the question as to the particular years is not very material. The points that suggested themselves to my mind were that Mr. Ross is in charge of a branch in the department, and in view of the important work he has to do and the efficiency with which he does it, he should have a salary of at least $1,700. I cannot be expected to have personal knowledge of these matters. I must depend upon the deputy for that information ; and the deputy has made the recommendation and in that recommendation I concur. I do not think there is any information withheld or that I am exhibiting any very great ignorance——

Mr. HAGGART. What is Mr. Ross doing?

Mr. EMMERSON. He has charge of the correspondence in connection with the engineer's office.

Mr. LENNOX. It is not material, as the hon. minister says, whether it was for one year or for another that these arrears occurred, if we have such information as will enable us to judge of the justice of the claim itself. But when we know nothing about even the years in which these arrears are said to have occurred, we have nothing to enable us to form an opinion as to whether the item is reasonable or not. I do not care particularly with respect to what year, but I do want such information as will enable us to form an opinion. But we have simply the statement of the minister that he does not know anything whatever about the matter.

Mr. EMMERSON. You are making a very comprehensive statement.

Mr. LENNOX. I think I am making a correct summary of what the hon. gentleman has said, and if I am not, he can set me right. I understand him to say in effect that he knows nothing whatever about this matter beyond the fact that there were arrears occurring in some years, whether recently or remotely he does not know ; that he knows nothing personally of the merits of Mr. Ross ; all he does know is that the deputy minister says it is a case deserving of recognition. Now, I repeat, it is most material to us to know when these arrears occurred. We know that last year we gave the statutory allowance without allowing any arrears. That is significant in itself. But if, for a number of years, we have been granting a regular statutory increase, and now this item is brought up at the present time—it is a most suspicious and peculiar circumstance in itself, and the full facts should be disclosed before we deal with the matter. I do not understand why the minister should object to letting the matter stand until this reasonable information is furnished to the House, or why we should substitute the statement of the deputy minister, much as I respect him, for the judgment of this committee.

Mr. EMMERSON. I am sorry there should seem to be any suspicious circumstance connected with this proposed vote of $100 additional to this man's salary. I would not like to have it put on a par with the celebrated ejaculation of Sergeant Buzfuz with respect to chops and tomato sauce. The statement of the hon. gentleman who

has just taken his seat (Mr. Lennox) is a very comprehensive one. He says I know nothing about the hon. gentleman. I stated, and it must be borne in mind, that these estimates were prepared in February, when I first entered the department, and that before that time I had not a personal knowledge either of Mr. Ross or of any other official in the department. But since then I have met that gentleman in the department, and I know something of the working of the department, of the work that he does and the place he fills in the department, and I think he is fairly entitled to $1,700 a year. I cannot, for the life of me, see why there should be any serious objection. I have stated that the information given me by the deputy minister leads me to conclude that it was in the years 1897 and 1898 that the lapse occurred in the payment of the statutory increase to this gentleman. But apart from that, whether the lapse occurred or not, it seemed to me, from the statement of the deputy minister and from the knowledge I now possess, that Mr. Ross is fairly entitled to $1,700 a year, as salaries go in these departments, and having regard to the work he does and the efficiency with which he performs it.

Mr. HAGGART. The minister evidently does not understand what the prerequisite is for granting a salary. First of all you form the skeleton of the sum that is required for the purpose of administering the department. You pay every man in it according to his supposed departmental value. Then you apply to Council and you state the number of clerks you require for the purpose of carrying on your business. You state the value of the particular service that each man is expected to perform, not the value of the man, but the value of the service that he performs. You fix the salary of each official. Then the law provides that when the deputy minister, with the concurrence of the minister, recommends the statutory increase, it has to be approved by Council, and after that you put the amount in the estimates. But it is not the value of the man you consider, it is the value of the service he renders to the country. You make an estimate of so many clerks at $1,500, so many at $1,200, so many at $1,000, and so on. It is a curious anomaly to say: We have so many deserving clerks. Here is a man who fills a particular office. Suppose you want a superior officer, the service he performs to the country is only worth $1,500 a year, though the man may be worth $10,000. Then according to the value of the man you increase his salary. The salaries are fixed for your departmental staff, and then the Civil Service law gives them an increase per annum. When vacancies occur by death, or absence, or superannuation, you fill them up; but the amount that is paid ought to be always the same unless the duties of the office are increased, or unless you require a larger staff to carry on the business. In that case the additions have to be approved by Council and reasons assigned before the vote is put in the estimates. In this case the minister must remember that it is not simply a question of paying a man $100 a year additional, what we are discussing is the principle. If the minister had been in the House as long as I have been, and a member of a government as well as a member of the opposition, he would have heard the tirades that used to be made week after week and year after year on a single item occurring in the estimates asking for a grant to an officer notwithstanding anything in the Civil Service Act. Mr. McMullen, formerly a member of this House and now a distinguished senator, used to enlarge for hours upon the enormity of paying sums notwithstanding anything in the Civil Service Act. What is the use of having such an Act, he used to say, what is the use of having a law on the statute-book if it is being constantly evaded? That is the reason we are questioning this vote. I would not have any objection to it in itself. This man may be an appointment of mine, he may be a deserving officer, a man too big for the position at $1,400 a year. It may be a shame to employ a man of his ability to perform work that is only worth to the country $1,400 a year. But that is no reason why he should get anything in excess of what he is entitled to under the law. It is the principle that we object to, we object to this constant enlargement of the expenditure in the various departments. You form a department here, for instance, the Department of Trade and Commerce, which is only to cost a few thousand a year, and then to give importance to the minister, the staff increases from year to year until each minister is jealous of the other if there is a larger expenditure in one department than the other. What is the effect? The country is burdened with a lot of officials who are not perhaps required for the proper discharge of their duties and to which enormous salaries are being paid.

Mr. EMMERSON. If this gentleman continued in the same office and gave the same return to the country for two years longer he would be entitled under the law to $1,700. I recognize the value of the work he is doing. I recognize the recommendation made by the deputy in that regard and I say that justice should be done now to this gentleman and not wait for two years. That is the whole story in a nutshell without regard to 1897, 1898, or 1899. It seems to me that my hon. friend would not wish to deny justice to a very deserving official by withholding from him the proper return for the work which he is performing in the department for the benefit of the country.

Mr. BARKER. We have made a perfectly reasonable request. We have asked the

hon. minister to let this matter stand until he can give us a reasonable explanation of what he is asking for. He has had pointed out to him that several items in the estimates now before us are increases beyond what appear in the regular yearly increases. His answer is that there were supplementary estimates last year. If the hon. gentleman will now show us the supplementary estimates covering these it will perhaps remove our difficulty, but it is not sufficient for the hon. gentleman simply to say that they were supplementary estimates last year. I have taken the statute of last year and they are open to the hon. gentleman. I would like him to point out in the Act passed last year granting money to the government to provide for these expenditures where these items can be found. If he points that out perhaps we will see our way to getting over some of the difficulties that we are now in.

Mr. EMMERSON. At page 19 of the estimates of 1903-4 you will see the sum of $16,700 for first-class clerks.

Mr. BARKER. For railways and canals ?

Mr. EMMERSON. Railways, civil government, page 19. These are the estimates we have now under consideration.

Mr. BARKER. I asked where these details in the estimates of last year were ?

Mr. EMMERSON. $16,700 for 1903-4.

Mr. BARKER. That is not in the estimates of last year.

Mr. EMMERSON. If my hon. friend will have a little patience I will explain. In 1904-5 the vote under the same head is $17,300, which is an increase of $300. Provision is made for three first-class clerks at $1,900 each. They were getting last year $1,850 each. They are now increased to $1,900 each. That makes $150 of that $600. Then, another one was getting $1,800 and he is increased to $1,850.

Mr. BARKER. What is the hon. gentleman reading from ?

Mr. EMMERSON. I am reading from the estimates of this year.

Mr. BARKER. What I am asking the hon. gentleman is where his authority is for the increases that were given last year ?

Mr. EMMERSON. If my hon. friend would turn to the estimates of last year he would find an item under the head of civil government of $16,700 for first-class clerks.

Mr. BARKER. At what page ?

Mr. EMMERSON. I cannot give the hon. gentleman the page.

Mr. LENNOX. At page 20 of last year's estimates.

Mr. EMMERSON. If you will refer to the estimates of last year you will see an item of $16,700 for first-class clerks.

Mr. BARKER. I do not see anything of the kind.

Mr. EMMERSON. At page 20 of last year's estimates.

Mr. BARKER. At page 20 of last year's estimates the amount is given as $16,450.

Mr. EMMERSON. Has my hon. friend looked at the supplementary estimates ?

Mr. BARKER. I am asking the hon. gentleman to tell us where these supplementaries are. I cannot find them in the statutes. If he will point them out I can look them up and the whole matter will be settled in a moment.

Mr. FIELDING. Mr. Ross's salary is set forth in the civil service list of a year ago at $1,550. Now, he would have $50 more by the ordinary process of the statutory increase which would make his salary $1,600 and my hon. friend is asking for an addition of $100 so as to make it $1,700. These figures seem to compare.

Mr. LENNOX. That is not the point.

Mr. EMMERSON. There are three first-class clerks who were getting $1,850 under the estimates of last year. That appropriation was voted, these salaries have been paid to them, the record shows it and I can give the names of the three clerks. We propose in this vote to give them their statutory increases of $50, making their salaries $1,900. That does not violate the Civil Service Act in any way.

Mr. HAGGART. Not at all, but you mistake the meaning of my hon. friend from Hamilton (Mr. Barker). He says that in the main estimates instead of their salaries being given as $1,850 they are $1,800. He says the amount of the vote last year was $16,450 and you say it was $16,700. Where does the $250 difference come in ? You say it is in the supplementary estimates. My hon. friend says he cannot find any Act of parliament or supplementary estimates authorizing those salaries.

Mr. EMMERSON. I say that the appropriation last year was to pay each of these first-class clerks $1,850.

Mr. HAGGART. That is quite clear but where is the hon. gentleman's authority for the statement ?

Mr. EMMERSON. I have sent for it, but I can assure my hon. friend that it is correct and according to the record.

Mr. HAGGART. It is very likely correct because these estimates show $16,700. But, my hon. friend (Mr. Barker) cannot find it in the statutes.

Mr. EMMERSON. I have sent for it.

Mr. BARKER. I think it quite possible that the hon. gentleman is making these

things up out of that very convenient word 'contingencies.'

Mr. HAGGART. He dare not do that. It is extraordinary if the deputy and the Auditor General are both wrong, but it is just possible.

Mr. BARKER. The hon. gentleman tells us now that he will have supplementary estimates for these salaries.

Mr. EMMERSON. I said there might be.

Mr. BARKER. Then we should consider all these matters together; that would be the businesslike way.

Mr. J. D. REID. Why not let this item stand over and consider it with the other increases?

Mr. EMMERSON. I am always anxious to be reasonable but that does not seem a fair proposition. What I said was that possibly there might be others in the supplementary estimates.

Mr. J. D. REID. You have a pretty shrewd idea.

Mr. EMMERSON. I have an idea that quite a number have applied and are under consideration.

Mr. J. D. REID. Which proves that there are others entitled to increases

Mr. EMMERSON. That does not follow.

Mr. J. D. REID. When the minister grants this increase he is reflecting on his predecessors who refused them.

Mr. EMMERSON. Don't feel hurt about that; I know they won't.

Mr. J. D. REID. Personally I would like to see all the clerks who are entitled to increases getting increases. I do not object to this increase for Mr. Ross, but I object to the manner in which it is presented to the House. It seems to me there must be some underlying influence to cause this special case to be dealt with. The item should stand until we get information.

Mr. FIELDING. There is really no other information the minister can give. The ordinary statutory increase is $50, but occasionally the minister believes that there is an officer who for special reasons is entitled to more and he submits that vote to parliament.

Mr. LENNOX. There was no special reason given in this case.

Mr. FIELDING. The special reason is that in the judgment of the minister, based on the report of his deputy, this officer is entitled on account of special merit to this increase.

Mr. LENNOX. He said he had no report.

Mr. FIELDING. The minister said that the recommendation was made by his deputy. Are we to understand that no increase is to be given to any official unless the minister is perfectly familiar with that official? The principal officers are brought in touch with the minister, but the minister cannot know all the others, and he has to rely on the report of his deputy. What more information can we have than that this officer is recommended by the deputy and that the minister concurred?

Mr. LENNOX. The Minister of Finance is very fond of answering arguments that were not presented. We believe it is quite proper to have the recommendation of the deputy, but we also believe that we should have the information which enables the deputy, or even the minister to come to that conclusion. The minister of railways did not say that Mr. Ross was entitled to this increase because of special merit; his argument was that he did not get his statutory increase for two years, and that by this vote he is paying up for the arrears. We are perfectly prepared in any case to vote $100 for special service, or for special fitness, if the facts are placed before us; but the Minister of Finance need not think for one moment that he is going to crowd it down our throats by trying to make out that we used an argument we never used. We make a perfectly reasonable proposition that this vote should stand over until we get an explanation. If we get a reasonable explanation, when the House again meets, we will pass this vote without further delay.

Mr. EMMERSON. I stated very fairly that I acted upon the recommendation of the deputy minister in this case as to the efficiency of Mr. Ross and the responsibility of his work. When this recommendation was made, I concurred in it. It was done at a time when I did not know the official and had not seen him. But the facts were given to me by the deputy.

Hon. WILLIAM ROSS. There is not a minister, however brilliant, who has not to rely upon his deputy for information of this kind. Here is a deputy who has grown gray, I was almost going to say grown bald, in the service of this country, and who states that this man is entitled to receive this increase, and the minister relies on that information. That is all that any minister can do, because it is impossible for ministers to have information as to the merits or demerits of all the clerks under them.

Mr. BIRKETT. Has Mr. Ross any greater responsibility now than he had a year ago?

Mr. EMMERSON. I cannot say that he has, and I add that two years hence he will

not probably have any greater responsibility but will be entitled to the $1,700.

Mr. BIRKETT. I have no objection to Mr. Ross getting the $1,700, I am satisfied that if he were not worth it, the deputy would not recommend it. But I will remind the minister that last year, when the government were amending the Civil Service Act, if they had accepted the proposition I made that all first-class clerks should be given a yearly increase of $100, Mr. Ross would have had the $1,700 this year without any trouble, and without being under any compliment. Is it the intention of the minister, in the case of officials who have not received their statutory increases, to make them up to them ?

Mr. EMMERSON. I do not know whether there are any who have not had their statutory increases. If there are any they have not been brought to my notice.

Mr. BIRKETT. But if there are any ?

Mr. EMMERSON. I will certainly give them the same consideration that I am giving to Mr. Ross.

Mr. HAGGART. Will the minister also state where he got the authority to give the statutory increase of last year ? I cannot find it in his estimates.

Mr. FIELDING. I think perhaps I can explain that. Last year, it will be remembered, after the estimates were dealt with, the Civil Service Act was amended, and provision was made by a general vote that increases might be paid to any clerks entitled to receive them. I think it is likely that this gentleman came under the terms of that general clause, which would explain why the item did not appear in the estimates.

Mr. BARKER. I think we are entitled to have that explanation clearly from the minister in charge of the department. The Minister of Finance does not tell us as a fact that this is so ; he says he supposes that it is so.

Mr. EMMERSON. My deputy informs me that these three first-class clerks for whom it was proposed to have an appropriation of $1,900 each this year, received $1,850 during the fiscal year 1903-4. That was paid, and it was paid necessarily with the concurrence of the Auditor General. It is proposed in the item under discussion to give the statutory increases to all these different clerks, with the exception of Mr. Ross, and his case I think I have very fully explained to the committee.

Mr. CLARKE. I understand that several organizations of workingmen in the employ of the Intercolonial Railway have made application to the minister for further increases in the wages paid to them. Might I ask whether the hon. gentleman has reached any conclusion ?

Mr. EMMERSON. I have stated in my general statement that other increases would be necessary in connection with the employees of the Intercolonial.

Mr. CLARKE. Is the hon. gentleman going to consider favourably the application made ?

Mr. EMMERSON. I am under arrangements to meet the men at Moncton immediately at the close of the session, and go over the whole schedule.

Mr. CLARKE. Will provision be made in the supplementary estimates for increased remuneration ?

Mr. EMMERSON. That is contained in the general vote for the Intercolonial.

Mr. CLARKE. And that is being taken ?

Mr. EMMERSON. That is being provided for.

Mr. HAGGART. I see that the Minister of Finance is right and the Minister of Railways wrong, in stating that there was a supplementary vote. It says at the end of the Civil Service Act :

> And during the financial year ending on the 30th day of June, 1904, there may be paid from and out of the Consolidated Revenue Fund of Canada such sums of money as may not have been voted by parliament but are required for payment of such salaries and increases of salaries as are authorized by this Act.

If we had obtained that information some time ago we would have made better progress.

Mr. LENNOX. In reference to the item for a law clerk, the minister has explained that the reason for the reduction of the salary from $2,100 to $1,925 is that the gentleman who formerly occupied this position has left the service and a new man has come in. Is he an entirely new man ?

Mr. EMMERSON. He was promoted. He had been the assistant law clerk and was promoted to the position of law clerk.

Mr. HAGGART. Is he a barrister ?

Mr. FIELDING. Yes, he is a barrister.

Mr. LENNOX. How long had he been in the service and what salary had he received previously ?

Mr. EMMERSON. He has been in the service about three years. He began as assistant law clerk with a salary of $1,200, but this was subsequently increased to $1,400.

Mr. LENNOX. Then we are to understand that a clerk who has been in the service for three years arrived at a salary of $1,200 and was subsequently increased to

$1,400. What is the initial salary in this office ?

Mr. FIELDING. I think that $1,900 was the original salary for the position of law clerk. The last occupant of the position was getting $2,100 or $2,200. Mr. Hansard's salary was increased while he was assistant law clerk and when his superior officer retired he was promoted to the position of law clerk at a salary, I think, of $1,900.

Mr. EMMERSON. Mr. Hansard last year received $1,500.

Mr. LENNOX. I am not in favour of cutting salaries too low, particularly, as some one suggests, in the case of a lawyer, but what I point out is that I understood the hon. member for Lanark (Mr. Haggart) to so say some little time ago that $1,400 was the initial salary for this service. In that case I think it is unreasonable to start this gentleman at $1,925 ; if his predecessor was receiving $2,100, the difference of $175 seems to be very slight. I am not in a position to say it is wrong, but I call the attention of the minister to it.

Mr. BOYD. I want to know if the minister has received any communications from the maintenance of way employees on other roads, that is the Brotherhood of Maintenance of Way Men, in regard to the rates paid to that class of men on the Intercolonial Railway. I understand that the rate paid on the Intercolonial Railway is less than that paid on the other roads. I want to know if the minister has received any resolutions or applications for an increase so as to bring the rate of wages up to that paid to the same class of employees on other roads. This is a very important class of work and I think these men are possibly quite as much entitled to an increase as some of those whom the hon. minister is looking after at the present time.

Mr. EMMERSON. The information received by my hon. friend is certainly very inaccurate. The facts are exactly the reverse. The Intercolonial Railway is paying more to trackmen than any other road in eastern Canada—I do not speak of the west, because there is a higher standard there ; a dollar means more in the east than in the west. I have received no communications from any organization but if I did receive any they could only represent what is the fact ; that the petitioners were not receiving as much pay as those on the Intercolonial Railway doing similar service.

Mr. BOYD. I wish to read some resolutions that have been sent to me in regard to the matter, so that the minister will be able to see the reason I have in bringing the matter to his attention :

To the government of the Dominion of Canada.

The following resolution was put and carried unanimously :—

That we, the members of subordinate Lodge No. 145 of the International Brotherhood of Maintenance of Way employees (employees on the central division of the Canadian Pacific Railway), do heartily favour an increase of wages to all the maintenance of way employees on our government railways so that the purchasing power of their wages will be equal to what it was a few years ago.

And that a copy of this resolution be forwarded to our Dominion government through our representative, Mr. N. Boyd, M.P.

Mr. EMMERSON. When is that dated.

Mr. BOYD. One of these resolutions is dated September 21, 1903.

Mr. FIELDING. This subject has been dealt with, I think, about that time.

Mr. BOYD. I have another one here which I shall also read, so that it may be on record for the minister to see.

Moved by Brother Woolsey, seconded by Brother J. Wilson, that we, the members of Minnedosa Division No. 163 of Maintenance of Way Employees of America, assembled, do by unanimous vote desire to place on record that we strongly disapprove of the low scale of wages paid by the government roads of Canada to the maintenance of way employees, such wages being below the wages paid by other Canadian roads for same class of labour, and we wish as voters to enlist your aid both in the House and out of it towards rectifying this injustice.

I have a letter very strongly urging me to bring this matter to the attention of the government, and, if necessary to urge it in the House. If the matter has been attended to, it will remove the necessity for my doing so. But I would ask the minister to tell me what the wages are, so that I may make a comparison.

Mr. FIELDING. The Minister of Railways has stated that he did not receive these communications. But I may explain that while I was acting minister of that department, I received probably these very communications, certainly some communication of the same tenor. This was some months ago. The matter was then under consideration. In fact, it had been referred to in the discussions of last session and intimation had been given that it would be inquired into at the close of the session. It was inquired into and the wages of the maintenance of way employees, trackmen as they are usually called, were increased.

Mr. BOYD. What was the increase ?

Mr. FIELDING. The ordinary trackmen were receiving $1.30, and this was increased to $1.40, and the section foremen received a corresponding increase. I think this is above the wages paid by any of the great railways of Canada. In case of other branches of the railway service I was willing to take the expenditure of other railways where the men were getting paid at a more advanced figure than those on the government road.

But, I thought that in the case of the trackmen who were lowest in the scale of pay in the service, we need not take the scale of the other railways, but that $1.30, the amount we were then giving, was rather low, and, irrespective of what other railways paid we should advance it to $1.40. That was done some months ago. And, as I am reminded by an hon. friend, in some sections, I believe the amount was made $1.50, a distinction being made with regard to the various grades of stations, so that, under certain conditions, there was an increase to $1.50.

Civil Government—Department of Railways and Canals—contingencies :—

Printing and stationery.	$5,000
Contingencies..	3,000
	$8,000

Mr. LENNOX. We should have some explanation of this.

Mr. EMMERSON. This is the same vote as last year—the usual vote.

Mr. LENNOX. That is not sufficient. Is all last year's vote expended ? In these cases, I think we had better go back to the practice of some years ago and get an explanation from the minister of what the money is for. It can hardly be taken for granted that because $8,000 was required last year therefore $8,000 will be required this year.

Mr. EMMERSON. This is the usual vote. For the year ending 30th June 1903, the amount spent on printing and stationery was $6,061.98 and on contingencies $2,439.37. So, the amount of the vote was exceeded and I think that a supplementary vote has been asked for to meet the expenditure.

Mr. LENNOX. This shows the utility of asking for information. It is very clear and very satisfactory. We have had $6,000 odd spent on printing and stationery—no separation made between the items of printing and stationery—and $2,000 odd for something else making a total of $8,000. Now, what could be more satisfactory ? And, if we had not asked we would not have received this information.

Mr. MONK. What proportion of this printing is done outside of the Printing Bureau ? I see that last year a considerable amount was done for the department by newspaper offices in different parts of the country.

Mr. EMMERSON. This is all done in the Printing Bureau.

Mr. MONK. Was the report of the department this year done in the Printing Bureau ?

Mr. EMMERSON. Yes, so I am informed.

Mr. MONK. This vote, I take it, applies to the office here. But the printing on the Intercolonial such as folders and all the other printing——

Mr. EMMERSON. That is not in this vote.

Mr. MONK. But is the minister able to say what proportion of the general printing required for the Intercolonial is done outside the Printing Bureau ?

Mr. EMMERSON. The folders, &c., have to be done in offices that are in touch with the central offices at Moncton.

Mr. MONK. Would it not be possible for the printing, of which, as I see by the Auditor General's Report, there is a large amount, to be done in the Printing Bureau ? Why is not the printing done here ? I see that it is spread over most of the newspaper organs of the hon. gentlemen opposite in the maritime provinces, sometimes under contract and sometimes without any contract. In consequence of this, a difficulty arose last year between the Auditor General and the employees of my hon. friend's (Mr. Emmerson's) department.

Mr. EMMERSON. I do not think it would be possible to have this printing done here. But I shall be prepared to discuss that question under the proper item. I do not think the subject properly arises under this item.

Mr. MONK. It seems to me that discussion might properly arise under this item as this relates to printing for the department. However, my hon. friend (Mr. Emmerson) may desire to get information on the subject. I will raise the question again on another item. There is another point I wish to speak about, though it does not exactly concern printing. The minister will remember that we had some correspondence in regard to the abandonment to the town of Lachine of the use of the old canal bank there. The bank is not now used by the government. As I explained in the correspondence that I had with the minister on behalf of the municipality, this canal bank has become an eyesore, and, now that the summer holidays are beginning, the authorities of Lachine are extremely anxious to obtain the use—during pleasure, of course—of that canal bank, in order to give it a more creditable appearance. I made a similar application a few years, ago, but, at that time there was an obstacle in the way in the shape of a projected railway to pass through. That obstacle has been removed, and, as the minister knows, there is no reason at all why the authorities of Lachine should not have a favourable answer to their repeated representations. I merely wish to inquire, as we are now getting into July, whether it would not be possible to grant their request.

Mr. EMMERSON. That lease could only be entered into by an Order in Council ap-

proved by His Excellency. The matter is now under consideration, and I hope it will be concluded before long. Besides, that matter does not come under the present vote.

Mr. MONK. I know that. But in a matter of this kind I do not think we are obliged, in discussing the estimates, to confine ourselves absolutely to the item under discussion. I think we have a right to urge any grievance we have, or any complaint, before we vote the amount. I have not bothered my hon. friend unduly with regard to that question. It seems to me such a simple question that there must be some extraordinary reason for not concluding it when the town at present is so urgent. When the matter was taken up three or four years ago there was some objection, I think there was a line of railway projected through there, but that objection has been removed. From the correspondence I had with my hon. friend I understood that it was merely a matter of routine, of getting the Order in Council through, and giving the town of Lachine the intimation and passing that lease, as my hon. friend stated a moment ago. I would like to know if there is any cause for this delay, beyond the usual cause that a certain time is required to pass it through Council, because the town of Lachine desires to improve, embellish and arrange that whole canal bank before the summer is finished.

Mr. DEPUTY SPEAKER. I think we had better not pursue this discussion further, as it is outside the item before the committee.

Mr. MONK. I would like to have your ruling on that point.

Mr. DEPUTY SPEAKER. My ruling is this, that when a resolution is before the committee, the committee can, if they choose, discuss the whole resolution in a general way, but when they have taken up a particular item, relevancy is one of the rules that govern the discussion, and when the item is passed it cannot be referred to any more. We cannot discuss any question outside the proposition before the committee unless the committee is willing to allow an irrelevant discussion to go on.

Mr. MONK. If you rule that, upon an item in the minister's department, I am not entitled to ascertain the cause of the delay in this instance, I shall have to bow to your ruling.

Mr. DEPUTY SPEAKER. There will probably be some other item under which the hon. gentleman can bring this subject up.

Mr. MONK. I merely wanted to know on behalf of my constituency if this matter will be concluded before it is too late.

Mr. EMMERSON. We have had some correspondence on the matter, it is now being considered in the department, and I think we will reach finality with respect to it within a very short time. I am endeavouring to dispose of it as speedily as possible. There has been a great deal of work in the department in its relation to the executive council, but as soon as this matter can be disposed of, I will answer my hon. friend, and I hope it will be very soon.

Mr. BIRKETT. I see there is an item here for contingencies, although the amount is very small, and I would like to take occassion to call the attention of the minister to the condition of the bridges across the Rideau canal between upper and lower town. The Sappers' bridge particularly is in a deplorable condition.

Mr. EMMERSON. They are in the Public Works Department.

Mr. BIRKETT. But these bridges cross the Rideau canal, and the hon. gentleman's department has charge of canals. It is possible that the Improvement Commissioners have them in charge. But they are government property, and I thought well to bring the matter before the attention of the government. The bridges are certainly in a deplorable condition, they are not safe so far as the sidewalks are concerned.

Mr. EMMERSON. I am informed that these bridges are under the charge of the Public Works Department.

Mr. HAGGART. The Sappers' bridge used to be under the control of the Rideau canal, it was built by the Rideau canal authorities, and was under their control. It may have passed over to the Public Works Department, but I do not know how.

Intercolonial Railway—to increase accommodation at Sydney, $86,000.

Mr. EMMERSON. This is a revote of $72,000. There was an appropriation for 1903-4 of $97,000. The estimated expenditure out of that sum up to the 30th June is $25,000 requiring therefore, a revote of $72,000. Then there is an extra amount which will be required for moving certain buildings, grading the station grounds, rearranging the tracks and for certain land and legal expenses in connection therewith totalling $14,000. This makes $86,000 which we will require for the purpose of increasing the accommodation at Sydney.

Mr. LENNOX. What is the total estimated expenditure necessary to complete the work ?

Mr. EMMERSON. The total expenditure for improved and increased accommodation at Sydney beginning with 1896 down to June 30, 1903, is $387,771.73. Then the expenditure from June 30, 1903, to May 1, 1904, was $11,107.37, making a total of $398,879.10, so that the total estimated cost of improved

and increased accommodation at Sydney will be $498,771.73.

Mr. LENNOX. That will leave $100,000 yet to be expended ?

Mr. EMMERSON. Yes.

Mr. LENNOX. What is the reason that so very little of the money appropriated last year was spent ?

Mr. EMMERSON. It was so late in the season it was found inexpedient to have the work carried on. The work involves the construction of a new station and general improvements around and about it and the work could not be carried on at that time of the year.

Mr. HAGGART. Perhaps the hon. minister will be able to give the expenditure on capital account for last year. In this whole item of the Intercolonial Railway there is a revote of $636,485, appropriations not required for 1894-5 amounting to $2,034,084.84 and a total appropriation of $3,717,284.84. Deducting $2,034,084.84 the total amount chargeable to capital account with Intercolonial Railway alone was over a million dollars. Is that not so ?

Mr. EMMERSON. Do I understand the hon. gentleman to ask what the total expenditure on the capital account of the Intercolonial Railway was up to the end of last year ?

Mr. HAGGART. Up to the end of 1903-4. You say that you only have the returns up to the 31st May.

Mr. EMMERSON. I have not the total expenditure but I have promised to furnish it. I could not very well get it this evening as the clerks were not in the office but I will give the hon. gentleman the total expenditure up to June 30, 1903, chargeable to capital account.

Mr. HAGGART. We have that but we want the expenditure for 1903-4, the amount voted last year.

Mr. EMMERSON. That is for the current year ending the 30th June, 1904 ?

Mr. HAGGART. Yes.

Mr. EMMERSON. I will furnish that information to-morrow.

Mr. HAGGART. But the hon. gentleman has given us one item of expenditure up to the 31st May, the expenditure at Sydney. The total amount of the revote is $636,485 and the appropriations not required for 1904-5, $2,034,084.84. Deduct this amount from the appropriations for 1903-4 and it leaves over $1,000,000 chargeable to capital account alone, that the Intercolonial Railway have expended up to 31st May or up to the 1st July. That is correct, is it not ?

Mr. EMMERSON. If I follow the hon. gentleman I think that would be it. I can give him the total up to the end of April of the actual expenditure on capital account. It it $1,362,070.38.

Mr. HAGGART. On capital account for ten months ?

Mr. EMMERSON. On capital account for ten months.

Mr. HAGGART. On the Intercolonial Railway ?

Mr. EMMERSON. On the Intercolonial Railway.

Mr. HAGGART. Well, then you have nothing to expend for May and June. You see that there is an amount at your disposal of about a million dollars.

Mr. BARKER. $1,046,000.

Mr. HAGGART. This $1,046,000 you have expended in ten months and you must have something to expend in the next two months.

Mr. EMMERSON. The total amount appropriated on capital account to the Intercolonial Railway for 1903-4 was $3,717,284.84.

Mr. HAGGART. That is right.

Mr. EMMERSON. We have expended up to the end of April of that sum $1,362,070.38.

Mr. HAGGART. But does not the hon. minister see this ? You ask for a revote of $663,485. You say that you do not require of last year's appropriations, $2,034,084.84.

Mr. FIELDING. That does not apply to the past year. That does not mean that that amount is not required for the year for which it is voted. It means that similar works are not required for the coming year. The amount is not required for 1904-5.

Mr. HAGGART. It is not required for 1904-5 but it is not expended under the vote of 1903-4.

Mr. BARKER. This is the part of the vote that is not required.

Mr. FIELDING. These words do not put any limitation on the expenditures of the past year. They only make a comparison between the two years. There are various sums which were not required to be repeated and which total up to the amount stated, but these words do not put any limitation on the minister's expenditure for the past year.

Mr. HAGGART. You took a vote for 1903-4 on capital account of $3,717,284.84 for railways and canals. You state that of that $3,717,284.84 you do not require $2,034,084.84.

Mr. FIELDING. No, we do not say anything of the kind.

Mr. HAGGART. It says: 'appropriations not required for 1904-5.'

Mr. FIELDING. Exactly; similar votes are not required for the coming year.

Mr. HAGGART. Any way the minister will give me at the next meeting of the committee the expenditure to the 31st of May, and the estimated expenditure on capital account for the next month both on the Intercolonial Railway and the Prince Edward Island railways and all the other works that will be under discussion.

Mr. R. L. BORDEN. Has the minister had his attention directed to a resolution passed by the Sydney Board of Trade and endorsed by the Halifax Board of Trade, with respect to a night train between Halifax, Sydney and North Sydney? The resolution of the Halifax Board of Trade passed last March, is as follows:—

That the Halifax Board of Trade approves the resolution of the Sydney Board of Trade regarding the immediate need of a night train between Halifax, Sydney and North Sydney, and that it urges the Intercolonial Railway authorities to grant the demand for the same as soon as they are able to do so.

Has this matter been under consideration and if so with what result?

Mr. EMMERSON. I received a copy of this resolution from the Halifax and Sydney Board of Trade. The question has been very carefully considered both by the Intercolonial Railway management and myself. There are now two daily trains from Sydney; one in the early morning and the other at mid-day, and these trains are found very convenient for the people on the intermediate stations all along the line. There are many good reasons why we should have a night train; it would convenience a limited few so far as I could judge from the facts, but the present traffic would not justify three trains daily, and taking into consideration the convenience to the greatest number it was thought that it would not be advisable to substitute a night train for one of the day trains.

Mr. KENDALL. I entirely endorse the decision of the department in this matter. It would be very inconvenient for the travelling public generally if one of these day trains was taken off and run at night. I would remind the minister that there is a fast freight running between Halifax and Sydney, and probably without any great additional expense, a sleeping car could be attached to that train. This, for some time at least would meet the requirements of night travel.

Mr. EMMERSON. Does the freight train leave at night?

Mr. KENDALL. No; the hour would have to be changed.

Mr. EMMERSON. One difficulty in running a night train is the additional expense of crossing the Straits. We hope the traffic will grow so that it will justify the putting on of a night train, but at present that is not the case.

Intercoolnial Railway—to strengthen bridges, $385,000.

Mr. BARKER. We should have some explanation of this. Will this vote close the whole item for strengthening bridges, or is this to be continued from year to year?

Mr. EMMERSON. This vote does not complete the transformation.

Mr. BARKER. How much is there to come?

Mr. EMMERSON. The total expenditure under this head from the commencement of the work in June, 1899, down to the 30th of June, 1903, was $867,101.64, and the expenditure from the 30th of June to the 1st of May was $161,683.93. In addition to that, there is a superstructure for the southwest portion of the Miramichi bridge, $55,303.20; and a new superstructure across the Restigouche river, $93,965.68, making a total to the 1st of May of $310,932.81, and a total expenditure of $1,178,084.45.

Mr. BARKER. I asked how much the hon. minister would require to complete the strengthening of all these bridges?

Mr. EMMERSON. The total estimated cost of strengthening the bridges, exclusive of the Oxford and New Glasgow and Cape Breton Railway is $1,759,000. The larger class of engines are not in use on these railways at present, and it will not be immediately necessary to make the change in the bridges.

Mr. BARKER. Will the hon. gentleman now tell us how much of this appropriation of $385,000 there will be yet required to complete this expenditure of $1,759,000?

Mr. EMMERSON. It is estimated that the amount required for 1904-5 will be $280,000.

Mr. BARKER. There was an attempt made last year to find out where we were going to wind up with this expenditure for the strengthening of bridges. This is what was said:

Hon. Mr. HAGGART. Then there is the vote of $165,000 to be added to that, and the hon. gentleman says that will complete the repairs on those bridges.

The MINISTER OF FINANCE. I stated that this appropriation for the year will probably finish the work, but the general manager says it will take another year. There will be something further to be done.

Hon. Mr. HAGGART. You do not know what the amount is?

The MINISTER OF FINANCE. I have not the estimates at hand.

Mr. INGRAM. For the total repairs of bridges ?

The MINISTER OF FINANCE. For strengthening the bridges.

I think the committee last year understood that they were getting some idea from the Minister of Finance of where we were going to wind up in this expenditure on capital account for strengthening bridges ; but I find that although that $165,000 has been spent, the hon. gentleman now asks us for $385,000 for this year and tells us that we shall have $280,000 afterwards. The Finance Minister may have had something in his mind different from what we had, but certainly I think the House was led to believe that we were approaching the end of this expenditure. I would like to ask the hon. Minister of Railways if he will state the names of the particular bridges that are yet to be strengthened and the amount that will be required for each bridge. It is necessary to get that, I think, otherwise there will never apparently be an end to this.

Mr. EMMERSON. To save time I will furnish my hon. friend with a statement of that.

Mr. BARKER. My object is to get it on 'Hansard,' if it is not too long, because that is the only way we can keep trace of it.

Mr. EMMERSON. I will give a list of forty bridges for which the Dominion Bridge Company has a contract. I can give the names of the bridges, but not the exact amount required for each bridge. I could probably furnish that later.

Mr. HAGGART. The hon. minister will not expect us to pass the item until we get the fullest information.

Mr. BARKER. The Finance Minister will see how necessary it is that we should have the figures.

Mr. FIELDING. That is fair ; I do not object to that.

Mr. EMMERSON. I could not give the cost with respect to each particular bridge at this time, and it may be necessary to allow the item to stand, or, if my hon. friends will pass the item, I will furnish the particular information and place it on 'Hansard.'

Mr. HAGGART. The hon. minister is a little innocent. We have had promises of that kind before. I have no doubt he intends to fulfil his promise, and give a new example, but I do not think we can trust him.

Mr. BARKER. We have discussed the strengthening of these bridges for two or three years. Last year a certain bridge was said not to be worn out, but was transferred to the Prince Edward Island Railway. We were not able to ascertain last year what credit was given to the Intercolonial Railway for that bridge taken to the Prince Edward Island Railway or to get any information as to what was done when an old bridge was taken into stores and afterwards sold. The Finance Minister was quite certain that when it was taken into stores and sold that amount was credited to capital account, but he was unable then to give us his assurance that that had been done in any previous case although he was quite sure that it was going to be done in the particular case he was speaking of. But the time had not yet come for him to do it and he could not show the credit. Perhaps some of these bridges were dealt with last year and the present minister will be able to tell the committee when it is up again exactly what was done with any bridges that were taken into stores last year or sent over to the Prince Edward Island Railway and placed there. Was the value of those bridges credited to capital account ? Although the Minister of Finance said that was the practice, to charge the new bridge to capital and to credit capital with the value of the old bridge, I do not wish to be understood as conceding for a moment that that is the proper way to deal with it. I think it is just as objectionable to deal with the bridges in that way as to deal with rails in the way this government has been dealing with them since 1896. It is cheating capital account for the benefit of revenue. What the Finance Minister thought was going to be done last year in some instances would have had the effect of increasing the revenue and adding to the capital debt of the road. Supposing an old bridge cost originally $100,000 and that the hon. gentleman, when renewing it, had to put up a better bridge in order to carry the heavier locomotives, erected a bridge costing $120,000 and sold the old bridge for $50,000. Now as I understand, the hon. gentleman charges the $120,000 to capital and credits capital with $50,000 but the hon. gentleman must see that if he were not increasing the weight of the bridge but simply substituting another $100,000 bridge he would have to charge the whole $100,000 to revenue and credit revenue with the $50,000 and, therefore, his revenue account would have lost $50,000 by the renewal of that bridge. By his method he escapes such a charge altogether and this practice makes a difference of hundreds of thousands of dollars every year. In fact, he has kept his account with reference to steel rails and old bridges in such a way that it is absolutely impossible to find out the amount of the deficit of each year which should take the place of the small profits he has been claiming. There is no doubt that in the case I am speaking of, a betterment of $20,000, that amount should be dealt with as a betterment, the $20,000 being charged to capital account, and the remainder, or $100,000 dealt

with as a renewal of the old bridge, chargeable against revenue account, less the value of the old material or bridge taken out. The hon. gentleman did not seem last year to consider this worthy of his consideration.

To increase accommodation at Lévis, $17,000.

Mr. EMMERSON. The amount asked this year is $17,000 of which $12,000 is a revote. It is for completing the concrete platforms and curves and tank and some electric wiring which with the engineering will bring the whole amount to $17,000.

Mr. LENNOX. Will that complete it?

Mr. EMMERSON. Yes.

Mr. HAGGART. What is the total expenditure on the station at Point Lévis.

Mr. EMMERSON. The total expenditure for increased accommodation for the commencement of the work June 30th, 1897, down to the 1st of May, 1904, is $360,380.44, and the total estimated cost in connection with the increased accommodation at Lévis was $393,000.

Mr. HAGGART. What was the total expenditure in that statement?

Mr. EMMERSON. I have given the total, $360,380.44.

Mr. HAGGART. That is for increased accommodation; I wanted to know the total expenditure at Point Lévis.

Mr. EMMERSON. It is impossible to give that because it was all voted in the sum for the purchase of the St. Charles branch and does not appear in the accounts as the Lévis terminals.

Mr. R. L. BORDEN. It seems a very large sum. How much does the station, for example, cost?

Mr. EMMERSON. I cannot give the exact cost of the station; it is not so much the expenditure on the station as in connection with the restricted area at Lévis. As we all know the space between the bluff and the water's edge is very narrow and the arrangement of the tracks and the making of the changes has been very expensive. The expenditure in connection with the station has not been so very large although it is a very efficient and convenient station.

Mr. HAGGART. 'Enormous' is the proper word.

Mr. R. L. BORDEN. The area may be restricted but the expenditure certainly is not.

Mr. EMMERSON. The more restricted the area, the more difficult it is to restrict the expenditure.

Mr. R. L. BORDEN. Could the minister not give us some idea as to the expenditure upon the building itself?

Mr. EMMERSON. I could not give it to-night, but I will to-morrow.

Air-brakes to freight cars, $25,000.

Mr. R. L. BORDEN. How many freight cars will that furnish?

Mr. EMMERSON. 500 cars at an average cost of $50 a car.

Mr. R. L. BORDEN. How many are equipped with air-brakes now?

Mr. EMMERSON. Box cars, 5,279; all classes of cars, 9,782. Equipped with air brakes to 30th June, 1903, 6,030; total then to be equipped, 3,752. We estimate to be equipped during the year 1903-4, 500.

Mr. R. L. BORDEN. When new cars are bought are they equipped with the air brakes, or does the railway equip them afterwards?

Mr. EMMERSON. They are all equipped with air brakes.

Mr. R. L. BORDEN. How many more are there to be equipped?

Mr. EMMERSON. As estimated, 3,752. We take about 500 each year.

Mr. BARKER. How many were equipped last year?

Mr. EMMERSON. Five hundred.

Mr. BARKER. According to 'Hansard' of last year, at June 30th, 1903, you had 3,672 to be equipped. If you equipped 500 last year that would leave 3,172.

Mr. EMMERSON. It was 3,752 at the 30th June, 1903.

Mr. BARKER. According to 'Hansard' it was 3,672.

Mr. CAMPBELL. Never mind.

Mr. BARKER. This was the Finance Minister's statement, and surely we should take that. Did the minister buy any cars during 1904?

Mr. EMMERSON. Yes.

Mr. BARKER. How many freight cars?

Mr. EMMERSON. I am informed that there were 207 box cars, but I have not the figures as to the others, but I can get the information for the hon. gentleman.

Mr. BARKER. I should be glad if the minister would furnish a statement showing how many new freight cars have been purchased with the brake equipment, and also how many cars out of service have been rebuilt and equipped. I want to see, in fact, how he used this $25,000 voted last year for this purpose. The same question would apply to the next item, that of draw-bars on freight cars; and, perhaps, these two items had better stand until we get that information.

To exchange draw-bars of freight cars, $45,000.

Mr. EMMERSON. The cost per car for the draw-bars is about $40. We are asking this year for $45,000 to provide draw-bars for 1,125 cars. The total expenditure for exchanging draw-bars from the commencement of the work to 30th June, 1903, is $105,000, and for the eleven months ending 31st May, 1904, $32,643.31.

Mr. R. L. BORDEN. What is a draw-bar?

Mr. EMMERSON. It is the arrangement by which the cars are attached together—the coupler. There is a standard draw-bar used all over the continent. It is necessary to have your cars equipped with that standard draw-bar, in order that the cars may be transferred to other roads.

Mr. R. L. BORDEN. How many cars are furnished with the standard draw-bar, and how many are still to be equipped ?

Mr. EMMERSON. The work has been going on for some time, and each year there is a vote to equip cars with the standard draw-bar.

Mr. R. L. BORDEN. It is important to know the number, in view of future expenditure.

Mr. EMMERSON. Up to the 30th of June we have changed 6,876, we have a balance to change after June, 1903, of 2,906. It was estimated that up to the 30th of June last there were to be changed 1,150. That work will probably have been completed. The estimate to be charged to June 30 this year, is 1,756, and we provide by this vote to change 1,125.

Mr. HAGGART. Who has the contract for these draw-bars ?

Mr. EMMERSON. The draw-bars are furnished by tender and competition, and the work of changing is done in the shops at Moncton. We purchase the draw-bars and do the rest of the work in the shops.

Mr. HAGGART. Who is the successful tenderer ?

Mr. EMMERSON. I could not tell that. Perhaps Mr. Pottinger would know.

Mr. HAGGART. Is the hon. gentleman quite sure they were purchased by tender ?

Mr. EMMERSON. My deputy says so, and that has been the usual course since I came into the department.

Mr. R. L. BORDEN. Would the hon. gentleman add this to the list of items on which he is to furnish information, and ask the proper officer ?

Mr. MONK. In connection with this item, could the hon. gentleman inform us as to the amount we have paid for increased terminal facilities to the Grand Trunk Railway at Montreal ?

Mr. EMMERSON. That is an annual sum, paid yearly.

Mr. MONK. It increases when the facilities are increased ?

Mr. EMMERSON. I do not think any increased sum has been paid this year. No claims of that character have come under my observation yet. Replying to the leader of the opposition, I will give the name of the successful tenderer to-morrow.

Mr. KENDALL. I would also like the minister to be able to tell us to-morrow to what extent side ladders instead of end ladders have been put upon his freight cars; also, if it is to his knowledge that other railway companies in Canada are making a similar provision.

Mr. HAGGART. We want the item respecting draw-bars to stand, that we may ascertain who got the contract and when.

New machinery for locomotive and car shops, $31,000.

Mr. R. L. BORDEN. What is the total contemplated expenditure ?

Mr. EMMERSON. The total estimated cost for new machinery for the locomotives in the car shops, to the 30th of June, 1905, is $181,247.33. The amount required to keep the shops up to date is estimated to be about $25,000 a year.

Mr. HAGGART. What is the total expenditure on tools and machinery used in these shops ?

Mr. EMMERSON. About $132,000. Since 1888 the total cost of machinery and tools, up to the 1st of May, 1904, has been $131,845.40. Machinery is being placed in all the shops. In regard to new shops, we have to modernize the machinery and make the tools up to date. It is supposed that the expenditure will average about $25,000 each year for that purpose.

Mr. HAGGART. I think the minister must be mistaken. From 1888 to 1904 is sixteen years, and he said the total expenditure for machinery in the shops and the extension of the shops was only $131,000.

Mr. EMMERSON. That does not include the shops themselves, only the tools and machinery.

Mr. HAGGART. I thought the expenditure was largely in excess of that.

Mr. EMMERSON. It appears not.

Some resolutions reported.

Mr. FIELDING moved the adjournment of the House.

Mr. R. L. BORDEN. What business will we take up to-morrow ?

Mr. FIELDING. We will take up the Railway Bill followed by the motion for supply and my hon. friend the Minister of Railways and Canals will resume his estimates.

Motion agreed to, and House adjourned at 11.45 p.m.

HOUSE OF COMMONS.

TUESDAY, July 5th, 1904.

The SPEAKER took the Chair at Eleven o'clock.

THE TREADGOLD CONCESSIONS.

Mr. R. L. BORDEN. Before the Orders of the Day are called, I would like to ask the government when we may expect the report of the committee appointed to investigate the Treadgold concessions in the Yukon. There is some rumour in the press that instructions have been given to Mr. Justice Britton not to make any report at all. I assume that is inaccurate. At the same time, it is desirable that the report, if it is to be forthcoming at all during the present session, should be before us at an early date. If I recollect correctly the statement of the Minister of the Interior (Hon. Mr. Sifton) about four or five weeks ago, it was that the report was expected early in July.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I may say to my hon. friend that my attention was called some time ago to a statement that was made in another place with regard to this report. I have not had an opportunity to speak to my colleague who made that statement, but perhaps to-morrow I may be able to give the information to my hon. friend.

INQUIRY FOR RETURN.

Mr. JAS. CLANCY. Now that the Minister of Trade and Commerce (Sir Richard Cartwright) is in his place, I would ask him when we may expect the papers that I have been compelled to call for very often with regard to the seizures of binder twine.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister. I may say to my hon. friend that in the absence of my right hon. friend the Minister of Trade and Commerce I wrote yesterday to his department for this report, and I received an answer stating that they were working at it, but they wanted to get some more information on the subject which was in the Department of Justice. That is the best answer that I can give.

BUSINESS OF THE HOUSE.

Rt. Hon. Sir WILFRID LAURIER (Prime Minister). I think the Minister of Finance (Mr. Fielding) stated yesterday that the Minister of Justice (Mr. Fitzpatrick) would take up his Bill to-day to amend the Railway Act. But I understand the Minister of Justice is busy in the Railway Committee, and if agreeable to the other side, we will go into Committee of Supply and take the Railway estimates.

Mr. R. L. BORDEN. The difficulty about that is that several gentlemen who are desirous of criticising the railway estimates are in attendance on the Railway Committee.

Sir WILFRID LAURIER. That difficulty can be provided for by taking up those items that are non-contentious. We will not close the railway estimates to-day, and they can be discussed latter on.

Mr. R. L. BORDEN. That is very awkward.

Mr. CLANCY. It is unfortunate that the House should be sitting when some very important Bills are now being dealt with in the Railway Committee. It is utterly impossible for members of the House to give that attention they are bound to give to the business of the House when the Railway Committee is sitting at the same time. For my part while I desire to be in the House I am compelled to go to the Railway Committee.

SUPPLY.

House in Committee of Supply.

Mr. DEPUTY SPEAKER. The resolution under consideration is number 89, the Intercolonial Railway, and the item is 'To equip four passenger cars with Pintsch gas apparatus, $3,500.'

Mr. R. L. BORDEN. We have not passed the item 'Air brakes to freight cars, $25,000.'

Hon. H. R. EMMERSON (Minister of Railways and Canals). The $385,000 item and the $45,000 item were allowed to stand until Mr. Pottinger furnished us information.

Mr. R. L. BORDEN. When did we pass the $25,000 item?

Mr. DEPUTY SPEAKER. That was passed, then the item 'To exchange draw-bars of freight cars' stood over. Then the item 'New machinery for locomotive and car shops' was passed.

Mr. R. L. BORDEN. I was not aware that the $25,000 item was passed. It does not make any difference, except that the chairman should not mark an item passed without letting the committee understand what is being done. Information was asked with regard to that, and two or three gentlemen said: 'stand,' and I supposed it stood. I notice that sometimes these items are marked passed without the committee clearly understanding it. There should be a thorough understanding between the chairman and the committee at all times as to what is being passed.

Mr. EMMERSON. I understood that the item respecting 'New machinery for locomotive and car shops' and 'Air brakes to freight cars' were to stand for certain information.

Mr. R. L. BORDEN. There was information asked for with regard to both. I can look up the 'Hansard' and find out what it is.

Mr. DEPUTY SPEAKER. I never mark an item passed unless the committee are agreeable.

Mr. R. L. BORDEN. The information can be brought down on another item.

Mr. DEPUTY SPEAKER. My clerk certifies that that item was passed. Some questions were asked in regard to it, but it was allowed to pass.

Mr. R. L. BORDEN. When an item is to be passed the question should be distinctly put to the committee so that every one may hear it, and that every one who has any objection to its passing or desires it to stand, may then speak. But that is not always done.

Mr. DEPUTY SPEAKER. I always ask 'Shall the item be adopted?' Then I pause for a moment or two to see if any person objects, and if there is no response, then I declare it passed. Sometimes I may make a mistake.

Mr. R. L. BORDEN. Are we then to leave the items 'To strengthen bridges, $385,000' and 'To exchange draw-bars of freight cars, $45,000' to stand until we get information?

Mr. EMMERSON. Until we get information.

Mr. R. L. BORDEN. I think the Minister will find that some information was to be obtained about the item of $25,000.

Mr. EMMERSON. I have asked Mr. Pottinger for information. This present item 'to equip four passenger cars with Pintsch gas apparatus, $3,500,' is a revote. Last year $8,000 was appropriated for the purpose. The total estimated cost for equipping the passenger cars with this apparatus is $22,400. We are asking for $3,500 in order to equip four passenger cars this year. The total number to be equipped is twenty-six. Up to the 30th June, 1903, fourteen had been equipped, and it is estimated that there will have been six equipped to the 30th June last. Therefore, the estimated number that will have been equipped to the 30th June, 1904, is twenty and the balance to be equipped after the 30th June is six. The estimated number to be done in 1904-5 is four, and after the 30th June, 1905, there will be two to be equipped.

Mr. R. L. BORDEN. How many cars are at present equipped?

Mr. EMMERSON. There are twenty-six altogether to be equipped. We have equipped twenty. That leaves six. We propose to equip four this year and two after June 30, 1905.

Mr. R. L. BORDEN. You do not propose to equip all your cars but only twenty-six?

Mr. EMMERSON. Twenty-six.

Mr. R. L. BORDEN. How are the other cars lighted?

Mr. EMMERSON. Very largely by oil.

Mr. R. L. BORDEN. American or Canadian?

Mr. EMMERSON. I could not tell the hon. gentleman; I think very largely by Canadian oil. The Imperial Oil Company have the contract for furnishing it, and as it is a Canadian concern, I presume they are furnishing good Canadian goods.

Mr. ARMSTRONG. Good Standard Oil goods.

Mr. EMMERSON. Perhaps we will have New Brunswick oil supplied before long.

Mr. R. L. BORDEN. I am afraid that the hon. gentleman will be endeavouring to get the contract himself in that case. Are there no cars lighted with electricity?

Mr. EMMERSON. No.

Mr. R. L. BORDEN. At one time there were. Was that abandoned altogether, and if so, why?

Mr. EMMERSON. I am told by the general manager that lighting by electricity proved to be entirely too expensive and that they required to use the storage battery, which had to be charged at certain points. The Pintsch gas was found to be much cheaper.

Mr. CLARE. How many cars did you light with electricity?

Mr. EMMERSON. We have none lighted by electricity now.

Mr. CLARE. I understand you tested it. How many cars did you test it with?

Mr. EMMERSON. I think about ten or more were equipped and lighted with electricity, but that has all been removed.

Mr. CLARE. You say ten or more. It seems to be a remarkable thing to throw away money in testing so many cars, when with one or two you could have tested it thoroughly.

Mr. EMMERSON. That was the method of ligthing cars that was generally used. The Intercolonial Railway in common with other railways went into the lighting of their cars with electricity. It made a very excellent light, and was a very great success, but the only drawback was the expense of it, and after it had been used for some years it was taken out. The system was removed five or six years ago. Ordinary oil was used and is being used as a substitute for electricity, but oil is being replaced as far as possible in all these cars which I have mentioned by Pintsch gas.

Mr. R. L. BORDEN. Might I ask the hon. gentleman to state the relative cost of oil, Pintsch gas and electricity per car ?

Mr. EMMERSON. The general manager tells me that he has that information somewhere, but it is not available at the present moment. I can get it.

Mr. R. L. BORDEN. I do not want an absolutely correct answer. Could we have it stated approximately ?

Mr. EMMERSON. The cost of electric light is about four times as great as that of Pintsch gas, with the storage battery light that was used on the Intercolonial Railway.

Mr. R. L. BORDEN. And as between gas and oil, what is the difference ?

Mr. EMMERSON. Pintsch gas would cost about double as much as oil. One additional reason for using Pintsch gas is on account of the safety. The oil is very unsafe, as my hon. friend knows.

Mr. SAM. HUGHES. When the minister says double the cost, I presume he means the initial cost, or does he mean the cost of maintenance ?

Mr. EMMERSON. I mean the operating cost.

Mr. SAM. HUGHES. The system of electric lighting used on the Canadian Pacific Railway and a great many American roads is a combination of axle and storage battery together. They sometimes have the dynamo in the baggage car. Has this system been tried ?

Mr. EMMERSON. The system of generating electricity from the car itself was tried in one of the cars on the Intercolonial Railway. That was tried very generally on the Canadian Pacific Railway, but they found it to be not in the interest of the road and they discarded it almost wholly, as I am informed. Certainly they have discarded its general use in the lighting of their cars.

Mr. R. L. BORDEN. Do they use Pintsch gas all through ?

Mr. EMMERSON. Pintsch gas on some and on very many of their cars they use oil. I understand from the general manager that they have adopted acetylene gas with the Pintsch gas apparatus.

Mr. CLARE. How many cars were equipped last year with Pintsch gas ?

Mr. EMMERSON. Six up to the 30th June of the present year.

Mr. CLARE. What is the cost per car?

Mr. EMMERSON. The cost per car is about $800.

Mr. R. L. BORDEN. Have you to pay a royalty on the apparatus or what is it that makes it so expensive ?

Mr. EMMERSON. There is a contract with the Pintsch Gas Company and the apparatus is purchased from them in New York.

Mr. ARMSTRONG. May I ask what the hon. minister pays per gallon for the oil used on the road, and if the contract is let by tender ?

Mr. EMMERSON. The contract is let by tender, but I do not know the exact figures. Tenders were called for all through Canada.

Mr. SAM. HUGHES. That is for illuminating oil ?

Mr. EMMERSON. Yes. The lubricating oil would be in the mechanical department and the illuminating oil would be classified in the maintenance of way department.

Mr. HACKETT. How are the cars lighted on the P. E. I. Railway ?

Mr. EMMERSON. By oil lamps.

Mr. HACKETT. Is it the intention to introduce the Pintsch system, which the minister says is so cheap and efficient ?

Mr. EMMERSON. It would be very desirable to do so and it would contribute to safety.

Mr. HACKETT. We have a large number of tourists coming to Prince Edward Island in the summer season ; they take the train at Summerside generally in the evening and travel to Charlottetown, and they should be afforded modern accommodation on that railway. I find it very difficult myself to read a newspaper by the present lighting system. Why not introduce the Pintsch system on this evening train between Summerside and Charlottetown ?

Mr. EMMERSON. We have the Pintsch system only on a limited number of cars on the main line of the Intercolonial Railroad, but now that the hon. gentleman has called my attention to this matter I shall be very glad if I can, to introduce the Pintsch system on at least one train on the Prince Edward Island Railway.

Mr. CLARE. $800 per car seems a large price for introducing the Pintsch system; one would think to look at it that it was not worth more than $150.

Mr. EMMERSON. It is open for you to tender and I will give you a show.

Mr. CLARE. I suppose there is a patent and all that. If it costs $800 a car why does the minster take $3,500 for four cars.

Mr. EMMERSON. There are certain incidental expenses. I think the utmost care is exercised in the expenditure.

Mr. SAM. HUGHES. What is your policy about introducing the Pintsch system in new coaches; I assume that it could be more cheaply done when the car is being originally constructed?

Mr. EMMERSON. New cars are fitted with the Pintsch system, but the expense is very largely in the cylinder and because of the length of the route of the Intercolonial Railway we have to use large cylinders to store a sufficient quantity of gas.

Mr. SAM. HUGHES. The minister might have a stronger tank and give the gas greater pressure.

Mr. EMMERSON. That is also a question of cost and is as broad as it is long. We do the same as the other great railways and it costs us no more.

Mr. CLARE. Last year you took $8,000 to fit up ten cars; how is it that you take more than $800 a car this year; are you paying more than last year?

Mr. EMMERSON. The cost is the same this year; the difference must be due to the fact that the work on the six cars was incomplete and the revote of $3,500 is to complete the ten cars as was contemplated.

Mr. HACKETT. The minister stated that they are now using the acetylene apparatus for the Pintsch gas. What is the difference between the two kinds of gas?

Mr. EMMERSON. I think my hon. friend misunderstood me. I said that the Canadian Pacific Railway Company was using acetylene gas with a Pintsch gas apparatus, and that the Intercolonial was using Pintsch gas, with Pintsch gas apparatus. There was no question of acetylene gas on the Intercolonial Railway.

Mr. R. L. BORDEN. What is the object of using acetylene gas with Pintsch gas apparatus? Has it been demonstrated to be better in any way?

Mr. EMMERSON. I am informed that they tried it in a small way, and are now trying it in a larger way. It is a matter of experiment very largely, but the results seem to be on the side of Pintsch gas.

Mr. SAM HUGHES. Which would be the more injurious, in the event of gas escaping?

Mr. EMMERSON.

Mr. EMMERSON. I have heard that the Pintsch gas is the safer and less unpleasant.

Mr. HAGGART. What is the material from which Pintsch gas is generated?

Mr. EMMERSON. It is an oil specially prepared from petroleum.

Mr. CLANCY. Where do you get the oil for that purpose?

Mr. EMMERSON. It is purchased from the Imperial Oil Company under contract, after tender.

Mr. SAM HUGHES. The Imperial Oil Company is the Canadian name of the Standard Oil Company, is it not?

Mr. EMMERSON. It is a Canadian company said to have some affiliation with the Standard Oil Company. I believe it is the Canadian Standard.

Mr. CLANCY. That is generally imported oil?

Mr. EMMERSON. No, they have their refinery at Sarnia, I think. They import a certain class of crude petroleum which is not produced in Canada and which they blend with Canadian oils. I know they do that with respect to their lubricants.

Mr. ARMSTRONG. The hon. gentleman must admit that the Imperial Oil Company is a branch of the Standard Oil Company?

Mr. EMMERSON. The Standard Oil Company has a great many divisions. It is recognized in Canada as the Standard Oil Company of Canada, but I understand that it has a great many Canadian shareholders. In fact, it was a Canadian company consisting of Canadian capitalists, and it affiliated with the Standard. That is my information. I have no personal knowledge of the matter.

Mr. CLARE. The hon. minister asks for $35,000 for installing this system of lighting the cars and charges it to capital account. He has already charged to capital account the system which was used before. This is not fair or right.

Mr. EMMERSON. Most of the cars which have been changed in that way were lighted by the ordinary oil lamps. It is a good many years since the Intercolonial had in use electric lighting. Most of the cars in which that was used have since departed and have been replaced by modern cars. For instance, those used on the Maritime express and on the new Ocean Limited train, which was initiated this week, are all equipped as they are purchased from the manufacturers. So that it is only with respect to the cars which have been lighted with ordinary oil lamps and on which the Pintsch gas system is being installed, that we are charging the cost to capital account.

Mr. SAM HUGHES. Where are the cars made ?

Mr. EMMERSON. Some are made at Amherst and some at Cobourg.

Mr. SAM HUGHES. Are any imported ?

Mr. EMMERSON. Yes, the sleepers have heretofore been almost wholly imported. I am in hopes, however, that with the completion of certain works in Canada, we shall hereafter be in a position to secure our pullmans in Canada.

Mr. CLARE. I do not think the answer which the minister has given covers the matter satisfactorily. The electric lighting system, which was formerly in a large number of cars, was charged to capital account; and he is throwing that out and putting in this new system and charging the whole expense to capital account. This item should be struck out.

Mr. EMMERSON. I am sorry not to be able to satisfy my hon. friend. I am trying to give him the information as it is. When the electric lighting system was tried some years ago, it was merely an experiment. As it did not prove advantageous or economical, the department decided to change it. As the electric system cost four times as much as the Pintsch gas system, it is certainly in the interest of the country that the change should be made; and the other being an experiment, and this being an improvement, whereby a great saving will be effected, it seems to me that this should be charged to capital account.

Mr. HAGGART. The hon. minister has mistaken the argument entirely. What he says and what the hon. minister says is that some of these cars were lighted by electricity before. That was charged to capital account. My hon. friend has no objection to substituting a better light, but what he is objecting to is that having charged the other to capital account you substitute another and perhaps a better light and charge it to capital account. He has no objection to the change whatever, but he asks why you charge it to capital account.

Mr. EMMERSON. If it were tried as an experiment at the expense of capital account and it proved to be a failure and not in the interest of the road surely the revenue account should not suffer thereby. It has proved to be such a failure that it is practially worthless and it should be a capital expenditure now in substituting Pintsch gas.

Mr. ROSAMOND. Will the hon. gentleman tell me the difference in the capital account between the 1st of July this year and the 1st July last year ?

Mr. EMMERSON. I presume my hon. friend (Mr. Rosamond) is familiar with the capital expenditure up to the 30th June, 1902. The information I gave to the House last evening was that the total capital expenditure on the Intercolonial Railway up to the 30th June, 1903 was $70,523,360.43. If he will deduct $2,216,744.88 from these figures he will have the total capital expenditure on the Intercolonial Railway up to the 30th June, 1902.

Mr. ROSAMOND. What I want to get at is the increase in the expenditure on capital account since the 30th June, 1903 ?

Mr. EMMERSON. I have not those figures. I will get that information as soon as I possibly can.

Mr. ROSAMOND. The capital account is going on increasing from year to year while the value of the road is not increasing proportionately. A great deal of the expenditure, such as that which has been referred to by my hon. friend on my right (Mr. Clancy), ought to be charged to the ordinary expenditure for the regular running expenses of the road. But, the hon. minister, following the practice of previous ministers, has tried to make his deficit less by charging to capital expenditure what ought to go to ordinary current account. This is a deception on the public which ought not to be continued any longer.

Mr. CLANCY. The committee is somewhat anxious to be enlightened as to where the hon. minister draws the line, if he has any line to draw, between capital and consolidated expenditure. First of all I understand these cars are fitted with oil lamps. Next follows an electric apparatus and that is followed by lamps. I say lamps because the hon. gentleman says that it is some years ago since the experiment was tried. This has been followed by the Pintsch gas apparatus and he charges all of it to capital account. Where is the hon. gentleman going to end and where does he commence ? What constitutes the proper working expenses of the road if that be the case ? The hon. gentleman said that it was an experiment. Are capital expenditures to be based absolutely on the merits of the experiment, on what it may turn out to be afterwards? That seems to be the hon. gentleman's main excuse, for taking that course. I am sure that the committee is anxious, especially as the hon. gentleman has come newly into that department, that the country may know that the deception that my hon. friend from Lanark (Mr. Rosamond) has pointed out consists in this: that the hon. gentleman is charging everything to capital account which has absolutely no value. If a failure, it is charged to capital account, when it should represent some value in the road afterwards. I am not going so far as to say that such a thing is possible always but that should be one of the main objects. The hon. gentleman unloads every expenditure for trifling changes upon capital account when the fact is that it should be

charged to working expenses. Perhaps the hon. gentleman will explain the multiplicity of transitions from one state of things to another wherein he is unloading all these expenditures on capital account.

Mr. EMMERSON. It is a much disputed question as to what should be charged to capital account and what to revenue, but I think I should take issue with my hon. friend from Lanark (Mr. Rosamond) when he states that the capital account has been increased and that the road is not increasing in value. I think it must be recognized that the Intercolonial Railway is very much more valuable this year than it was last.

Mr. SAM. HUGHES. To the country or to the party ?

Mr. EMMERSON. Yes, to the country and to the railway itself—a very much more valuable railway. When my hon. friend from North Lanark states that it is lessened in value I am sure he is simply making an argument which will not hold water.

Mr. ROSAMOND. I do not think I said 'lessened in value.'

Mr. EMMERSON. I understood my hon. friend to say that. At all events he said that it had not increased in value. Perhaps those were the words he used.

Mr. ROSAMOND. I said it had not increased in value in proportion to the extra expenditure charged to capital account.

Mr. EMMERSON. I understood him to make no qualification in respect to it. I dispute the statement. I say it has been increasing in value.

Mr. COCHRANE. Why do you dispute a statement which has not been made ?

Mr. EMMERSON. One at a time, please.

Mr. COCHRANE. I want to ask the hon. minister, if he will allow me, why he challenges a statement that my hon. friend from North Lanark (Mr. Rosamond) said he never made ? It is very ingenious but there is not much sense in it.

Mr. EMMERSON. I have not challenged the statement of my hon. friend from North Lanark when he says 'increased' instead of 'lessened.' I accept that statement ; I am not disputing the thing ; I am simply pointing out that in my judgment the road has very materially improved by reason of these capital expenditures, because we have better equipment, we have larger engines and we have heavier rails. But in determining the question as to whether we should charge an appliance of this kind to capital account or not, I would ask my hon. friend from Bothwell (Mr. Clancy) this question : Suppose that the road had been originally equipped with a certain cattle-guard, that that cattle-guard was becoming inoperative because of use, without being worn out or destroyed, that it was found to be not in the interest of the railway, that it had to be entirely discarded, that within a year after the construction of the road you substitute a modern cattle-guard, one that would be accepted, —would you charge the substituted appliance to capital or to current account ? I hold that if you charge the original cattle-guard to capital account the substituted article should be so charged also, because the cattle-guard is not replaced because of wear and tear, it is not replaced because of destruction by accident, but it is replaced because it has proved a failure, it having been an experiment, true at the expense of capital account, but the substituted article should also be charged to the same account. These are my views. I understand that this is a much debated question, not merely in this House, but in private corporations. Some hold one view and others hold another.

(Intercolonial Railway—To equip passenger cars with vestibules, $4,000.

Mr. CLANCY. The hon. gentleman has selected a very extreme case.

Mr. EMMERSON. It is a parallel case.

Mr. CLANCY. I will, however, take the case of cattle-guards which he has suggested. I imagine if cattle-guards were to be changed under existing conditions on the Intercolonial they would not all be changed in one year. They have been in use many years, and they have served a certain purpose during that period ; and what would follow in a business of that kind, as in all others, is that they would be changed when they were worn out. There is a life in the use of a cattle-guard, and it must be changed at some time, even if it is not remodelled. Now, if you put in new cattle-guards, the most that would be charged to capital account would be the difference between the new kind and what the old ones would cost. Let me ask the hon. gentleman this question : If a cattle-guard had reached the stage in its history when it became dangerous to the road and needed to be repaired in the public interest, and when he proposed to put in a new sort of cattle-guard that had not been in use before, would he charge the whole of that sum to capital account, or merely the difference between the cost of the old cattle-guard and the cost of the new one ? To what account would he charge the expenditure in that case ?

Mr. EMMERSON. That is an entirely different case to the one under discussion. I make a distinction as between a cattle-guard that became inoperative or worn out and another one introduced as an experiment. But I would call the attention of the committee that the item under discussion is for furnishing four passenger cars with Pintsch gas apparatus. These four cars today are equipped with ordinary oil lamps ; there is no electric lighting equipment. We propose putting in each of these four cars an appliance to use Pintsch gas. That is

the question in this item. It does not involve a substitution of Pintsch gas for electric light, but it simply involves putting an additional appliance on that car to enable us to operate it with greater safety and advantage to the travelling public.

Mr. SPROULE. Are you not substituting one kind of light by another ?

Mr. EMMERSON. True, but you would not say that it should be charged to current account when you are only improving the character of the car. The question is whether you would deduct from that charge the cost of the oil lamp.

To equip passenger cars with vestibules, $4,000.

Mr. EMMERSON. This is a revote. Last year $10,000 was asked for this purpose, and six cars were equipped. It costs about $1,000 to equip a car with a vestibule. We now propose to equip four cars, and four more in 1905. That makes a total of twenty cars, all that we contemplate equipping now.

Mr. LENNOX. Is that done by day labour ?

Mr. EMMERSON. By day labour in the shops at Moncton.

Mr. LENNOX. Then how do you get the $4,000, when it is done by day labour.

Mr. EMMERSON. The labour done in connection with this is charged up against this particular item.

Mr. LENNOX. An estimate of the labour and the material used.

Mr. EMMERSON. They keep a very accurate account of the labour. A certain number of men are put on this particular work and their wages are charged up against the appropriation for that particular item.

Intercolonial Railway—Additional sidings along the line, $118,000.

Mr. LENNOX. I would ask the minister to explain this item. Last year there was a good deal of discussion about a similar item and the next item, for increased accommodation and facilities along the line.

Mr. EMMERSON. I do not think that this committee would want all these particular items set forth in the estimates.

Mr. LENNOX. Speaking for myself I do.

Mr. EMMERSON. It takes all kinds of people to make up the world and I presume all kinds of people to make up the committee.

Mr. LENNOX. I appreciate that and that is why I asked the question.

Mr. EMMERSON. We are asking for $118,000. There is a siding one half mile east of Christmas Island. This proposed siding is to hold 40 cars. It is a crossing-siding where trains can meet, and it is estimated that it will cost $4,000. Christmas Island is in Cape Breton.

Mr. WM. ROSS (Victoria, N.S.) It is just beyond the Strait of Canso, within three miles of the Grand Narrows, after crossing the bridge.

Mr. EMMERSON. At Alba there is a proposed extension of a siding and it is estimated the cost will be $2,000.

Mr. WM. ROSS (Victoria, N.S.) That is in Inverness county.

Mr. HAGGART. Will the minister give an estimate of the amount in each case and why it is charged to capital account ?

Mr. EMMERSON. All of these sidings are proposed on account of the larger engines now in use ; on account of the greater number of cars that we are enabled to haul the sidings have been found to be entirely too short for safety of the road, and for convenience in the moving of trains and it is found necessary to have these extensions.

Mr. HAGGART. The minister said yesterday that he did not use the heavy locomotives and long trains in Cape Breton at all.

Mr. EMMERSON. We are not using the heaviest but we are using heavier engines.

Mr. HAGGART. You told the House yesterday that on the New Glasgow and Cape Breton branches of the road you did not intend to make any changes because you were not using the heavy locomotives.

Mr. EMMERSON. I meant that the heaviest class of locomotives such as are on the trunk line between Halifax and Montreal are not in use there, but there is a heavier class than has been in use and longer trains are being hauled on the New Glasgow branch and the Cape Breton section than has been the case heretofore, necessitating extended sidings.

At Brierly's Brook, in Antigonish, it is estimated that the extension of the siding will cost $1,500. At Merigomish, in Pictou county, there is required an extension of a siding of 250 feet which is estimated to cost $600. Between Glengarry and Hopewell they want a crossing siding to hold 50 cars and it is estimated to cost $4,000. At Lansdowne they require a siding to hold 20 cars which is estimated to cost $1,500. At Riversdale, in Colchester county, there is an extension of the siding, 20 car lengths, which is estimated to cost $1,600. At Stewiacke, also in Colchester county, they require an extension of a siding which it is estimated will cost $360. At Brookfield, in the same county, there is required an addition to the siding, 3,000 feet long, which it is estimated will cost $6,000. At Hilden, further down the line, a loading siding is required of 14

car lengths. This is estimated to cost $1,200. At Debert, in Colchester, there is an extension of the siding 1,000 feet long and an additional siding of 1,500 feet. One is estimated to cost $2,500 and the other $3,000. At Wentworth, Cumberland county, extension of siding estimated cost, $1,000 ; Oxford Junction, same county, extension of siding, $2,000 ; Salt Springs, same county, additional siding, $4,500 ; Spring Hill Junction, same county, additional siding, $5,000 ; Athol, same county, additional siding, $800 ; Memramcook, Westmoreland county, additional siding, $3,600 ; Petitcodiac, Westmoreland, extension of siding, $1,600 ; Quispamsis, King's county, extension of siding, $800 ; Shediac, additional siding, $2,500 ; Point du Chêne siding, $2,500 ; Catamount siding, $500 ; Coal Branch siding, $500 ; Adamsville siding, $800 ; Barnaby river siding, $1,000 ; Newcastle, rearrangement of yard and additional siding, $5,000 ; Gloucester Junction, extension of siding, $2,000. I have given the estimate cost in each case.

Mr. SAM. HUGHES. There is a junction at Gloucester.

Mr. EMMERSON. Yes.

Mr. SAM. HUGHES. Does the minister intend buying out all these branch lines ?

Mr. EMMERSON. I should hope that my hon. friend would favour such a proposition, but these sidings are not particularly designed for that purpose.

Mr. SAM. HUGHES. If we justify the purchase of the one which the minister already contemplates, we would justify anything.

Mr. EMMERSON. We will deal with that when it comes.

Mr. SAM HUGHES. You may be sure we will deal with it.

Mr. EMMERSON. At Beresford, Gloucester county, extension of siding, $300 ; Belledune, Gloucester county, siding, $3,600; Jacquet river, Restigouche county, siding $3,600; New Mills, Restigouche county, siding $2,600. The Prescott Brothers are doing a larger business there and a new siding is required.

Mr. SAM. HUGHES. Is there a large vote in the neighbourhood ?

Mr. EMMERSON. I don't know.

Mr. ROSAMOND. Are these sidings to be paid for by the government or by the private parties ?

Mr. EMMERSON. These are government sidings. When sidings are for private individuals, the private individuals pay for them.

Mr. ROSAMOND. I understand from the Minister that some person was doing a large business there, and would require a larger siding. Does that some person pay for any portion of the siding which is put up for his benefit ?

Mr. EMMERSON. The siding is not for that individual firm, but I know that the Prescott Brothers are doing a very large business there and I assume that there are also others in the lumber trade. If it went to their mill it would be paid for as a private siding.

Mr. SAM. HUGHES. These are all railway sidings in the ordinary sense ?

Mr. EMMERSON. Yes.

Mr. SAM. HUGHES. The hon. gentleman said that the government never built private sidings, but I can tell him that last year we built a siding, or a branch line, for one of the members here to his mill in the province of Quebec.

Mr. EMMERSON. I presume that would be to get the traffic for the benefit of the road. At Campbellton we require additional sidings estimated to cost $3,000.

Mr. BLAIN. How much was expended at Campbellton last year ?

Mr. EMMERSON. Nothing. There was a vote last year but it was for the purchase of certain lands at Campbellton.

Mr. BLAIN. The hon. gentleman is mistaken ; last year we voted $10,000 for a siding at Campbellton.

Mr. EMMERSON. That was for the purchase of land for the siding.

Mr. BLAIN. That is not what the minister said last year. He said it was for the purpose of putting in a siding at Campbellton, and that the engineer's estimate was $10,000.

Mr. EMMERSON. That vote was used to purchase land for the extension of the yard and siding at Campbellton.

Mr. BLAIN. Are we to understand that when we vote money for a siding and the minister states that the engineer estimates that it will cost $10,000, that you can apply that money to the purchase of a site ?

Mr. SAM. HUGHES. To whom was this money paid for the purchase of the land and how many acres were purchased ?

Mr. EMMERSON. There was a quantity of land owned by the William Richards Estate, represented by David Richards ; they were very independent decent people. A man named Duncan had a portion and Richards another portion.

Mr. COCHRANE. Why cannot the minister give us the details ? When this money is being voted to build sidings, the minister tells us that it is to be used to purchase

land ; and when he is asked how much land he wants to purchase, he turns around and asks the manager of the railway, 'It is a hundred feet long, isn't it ?' But nobody knows how wide it is. When the Minister of Railways and Canals or any other minister comes and asks for an appropriation, he should be prepared to give us the necessary information so that we can vote intelligently on the question.

Mr. EMMERSON. I am afraid my hon. friend is laying out a very large contract for me.

Mr. COCHRANE. Yes, to get much into your head, I suppose.

Mr. EMMERSON. The item I was trying to bring to the notice of the committee was for additional sidings at Campbelltown. it is estimated that we shall require for that work this year $3,000. As to the size of the land, that not being involved in this vote, I did not anticipate that any such information would be necessary. However, we shall have that later on.

Mr. SAM. HUGHES. But surely the minister must remember that he came down last year and wanted $10,000 to build a siding, and he himself on that occasion arose and made a very important speech, showing that he knew as little then about Campbellton as he does now. Surely he knows how large or how wide this land is, and whether it is worth $10,000.

Mr. EMMERSON. I have just stated that I will have that information brought down in detail.

Mr. BLAIN. What is this $3,000 to be expended for ?

Mr. EMMERSON. This is for the grading and the rails and the land which has been purchased. I will continue to give the list of sidings. Assametquaghan, siding to hold six cars, $700 ; Beau Rivage, siding to hold eight cars, $700 ; Causapscal, additional sidings, $1,600 ; St. Moise, siding to hold ten cars, $800 ; Ste. Luce, extension of siding, 700 feet, $1,500 ; St. Anaclet, additional sidings, $3,000 ; Rimouski, additional siding, $600 ; Bic, extension of siding, $1,400 ; St. Fabien, extension of siding, $4,800 ; St. Simon, extension of siding, $1,600 ; Trois Pistoles, extension of siding, $1,400 ; St. Eloi, extension of siding, $2,000; St. Arsène, extension of siding, $1,200 ; Ste. Hèlene, extension of siding, $4,000 ; Cacouna, extension of siding, $350 ; St. Phillippe de Neri, extension of siding, $3,000 ; St. Pacome, extension of siding, $600 ; Ste. Anne, additional siding, $4,000 ; Ste. Louise, extension of siding, $300 ; St. Jean Port Joli, extension of siding, $1,200 ; Trois Saumons, extension of siding, $300 ; Cap St. Ignace, extension of siding, $4,000 ; St. Francis, extension of siding, $300 ; Chaudière Curve, additional siding, $400 ; St. Jean Chrysostome, extension of siding, $400. This completes the list.

Mr. BELL. Has there not been some agitation for increased siding accommodation at New Glasgow, N.S. ?

Mr. EMMERSON. That is up in another way.

Mr. SAM. HUGHES. Are there other sidings coming up in another way ?

Mr. EMMERSON. Not in the way of sidings but in the way of terminal improvements at that point.

Mr. LOUIS LAVERGNE. I would ask the minister if there is any appropriation for sidings in Drummondville, Quebec ?

Mr. EMMERSON. This list contains nothing for Drummondville.

Mr. LOUIS LAVERGNE. There is another appropriation.

Mr. CLARE. I do not know whether there are other stations on the Intercolonial Railway or not. The minister might give us a list of the stations that are not in this vote.

Mr. EMMERSON. There are just a few.

Mr. CLARE. I would like to know how the $6,350 voted last year was expended.

Mr. EMMERSON. The year only closed on June 30th and I have not that statement.

Mr. LENNOX. Does the minister mean that he cannot give the information ?

Mr. EMMERSON. Not at this time.

Mr. LENNOX. We will have to ask the minister to give it. It would economize the time of the committee and decrease the cost to the country if the minister, when bringing down the estimates in each case, would read a concise statement to the committee and not have to have the information dragged out of him by a slow process of urging by members of the committee.

Mr. EMMERSON. It would be a matter of physical impossibility to secure this information this afternoon as the details would have to be obtained from Moncton. Bear in mind that this vote was made last fall and that none of this work was done until this spring so that this work has been carried on during May and June. The details are kept in Moncton. I could give my hon. friend the total up to the last of May. We had then expended some $29,000 of that appropriation.

Mr. SAM. HUGHES. Does the minister mean that these works are going on and that the department at Moncton prepares for the building of sidings and does not at once submit the estimates and plans to the department at Otttawa ? Does he mean to reflect on his officers at Moncton to that extent ?

Mr. EMMERSON. There is no reflection on my officers. The expenditure up to June 30th is not in Ottawa. The officials have that information at Moncton where the books are kept but the details will be reported here at the proper time, when we will have the information.

Mr. SAM. HUGHES. How does the minister get the figures for the estimate if he has not the figures for the work completed last year? Does he pretend to say that he has not the details of the expenditure of this $635,000?

Mr. EMMERSON. I pretend to say that we have not.

Mr. LENNOX. This is a most extraordinary situation. The minister tells us that he wants an additional appropriation of $118,000 but he does not know how this $63,500 voted last year was expended. The estimates were brought down months ago and this information should be forthcoming. I am waiting for the attention of the minister.

Mr. EMMERSON. I beg my hon. friend's pardon, I was listening to him.

Some hon. MEMBERS. Carried.

Mr. LENNOX. I want those hon. gentlemen to understand that they have got quite enough to carry when they come to face the electorate, without trying to carry any additional burden. I want to call the attention of the minister to this fact, that the excuse he made that the accounts could not have been returned from Moncton to Ottawa for his inspection, cannot be sustained, because we have here the estimates brought down months ago and at that time it was known that every dollar of this appropriation of $63,500 had been expended. Therefore it is a ridiculous proposition for the minister to say that he has not been asked.

Mr. EMMERSON. Does the hon. gentleman mean to say that the items which I have read over in this list have been expended?

Mr. LENNOX. The minister has no reason to understand me in that way.

Mr. EMMERSON. Does he mean to say that the items which I read over have been expended, and that therefore I should have a statement of them?

Mr. LENNOX. The minister must not suppose that I am discussing the question of appropriations for the coming year. I am dealing with what has gone by, and I am dealing with what the minister spoke about. I am dealing with the fact that he tells us, that there has not been any opportunity that it is mentally and physicially impossible for him to give us the information we ask because forsooth it is a local expenditure. It is not a recent expenditure; it may have been a rapid expenditure, as he says, it may have been a reckless expenditure, and we think it may have been an unjustifiable expenditure. We want to know when that money was expended, and where it was expended, before we can vote an additional sum of $118,000. That is a reasonable proposition, and a committee which would allow an item of that kind to pass without any information would not be justified in asking the people to support them.

Mr. SAM. HUGHES. I think my hon. friend is asking a very proper question. We asked last year for a return of the places where these moneys were to be expended, we ask now to know where they have have been expended. I think the minister is bound to furnish the information.

Mr. EMMERSON. I thought I had made myself clear. I stated that there had been voted last year $63,500 for sidings on the Intercolonial, and that we had expended of that sum up to the end of May, $29,000, the details of which I have not here in the department, but which could be procured from Moncton. Let me say that we will not receive the details of the expenditure from Moncton during the month of June until towards the close of the present month of July. If hon. gentlemen opposite insist upon holding up this item until I can procure that information, why then, we shall have to wait for it. It is simply the routine of the department, it is the system that has been going on for years. The management of these affairs is all at Moncton. They keep the details, they keep the books, and the returns are made some time during the last of the month.

Mr. SAM. HUGHES. When this $63,000 was asked for last year it was asked for on a certain estimate, was it not?

Mr. EMMERSON. That is ancient history now.

Mr. SAM. HUGHES. The hon. gentleman will probably view it otherwise before the session closes. We have been lenient to the minister, otherwise we would hold him up. When this $63,000 was voted last year on an estimate, the minister's department certainly knew where these sidings were that this money was to pay for. We want that statement now, we want to know where the money was estimated to be spent last year and how much has been spent at those places.

Mr. BLAIN. That ought not to be difficult to tell, because, of this $63,000 voted last year, the minister states, if I understand him correctly, that only $29,000 has been expended.

Mr. EMMERSON. Up to the 31st of May. I said there was a subsequent expenditure

during the month of June of which I have neither the details nor the amount.

Mr. BLAIN. Up to the time the $29,000 was expended it would not be difficult for the hon. gentleman to submit a statement of the details to the committee. He has already a statement that $10,000 of that amount was expended for the purchase of a piece of land.

Mr. LENNOX. Perhaps if the minister will bring down at three o'clock whatever he can get, we may be able to go on.

Mr. EMMERSON. I have stated that I am told by the officials of my department that the information is at Moncton.

Mr. LENNOX. So far as the minister has any information, let him bring it down.

At one o'clock, committee took recess.

Committee resumed at three o'clock.

Mr. R. L. BORDEN. What item are we on ?

Mr. DEPUTY SPEAKER. The item is :

Intercolonial Railway—Additional sidings along line, $118,000.

Mr. EMMERSON. I promised some information. I am now waiting for the officers to come up from the department. Perhaps we can go on with another item.

Intercolonial Railway—Increased accommodation and facilities along line, $65,000.

Mr. EMMERSON. A portion of this is a revote. The amount voted last year was $88,000 and the estimated expenditure was $68,000. That left, not required for 1904-5, out of that $88,000, $20,000, and we will require in addition for 1904-5 of $45,000, making $65,000 in all. Of that $88,000 voted last year $68,000 was required or will be expended.

Mr. BLAIN. Perhaps the hon. gentleman will give us an explanation of how the amount was expended last year.

Mr. EMMERSON. I have not the details. The accounts are not made up for the whole year, and most of this work was done this spring, so that it is practically in the same position as the other. I do not think, as far as I have been able to glean from the records of this House, that it has been the custom of parliament to go into the details of the expenditure for the then current year when voting moneys for the ensuing year.

Mr. BARKER. There is one thing which has not been the custom of the committee which ought to have been the custom, and that is to ask the minister for the details of the expenditure he proposes for next year. We have become rather accustomed to general allowances or appropriations of this character, and it has been left to the department to spend the money as they please. I have no doubt the hon. minister, before he authorized this appropriation to be asked for, obtained from his general manager a statement of every improvement and facility which he intends to make during the coming year and the probable cost at each point. I think we are entitled to have that, and it is very important in the interest of the taxpayer that we should insist upon having it, because if we grant an appropriation for this purpose in these general words, there is nothing whatever to prevent the department from spending the money at any place they please. I have no doubt the hon. minister at this moment knows exactly where he proposes to expend the $20,000 remaining over from last year and the extra $45,000 he is now asking for. He must have had that from his manager before he authorized the application for this appropriation. I think we should have that from him, so that when the year's accounts come later on to be scrutinized by the Public Accounts Committee we will see whether the hon. gentleman has been spending the money for the purpose for which he asked it and for which we are in fact voting it. I would therefore ask the hon. gentleman to give us the various points at which he proposes to make this expenditure and the amounts he proposes to expend at each point. These are not items of ordinary repair or ordinary maintenance at various points. They are substantial items of expenditure for improved facilities upon the line. The hon. gentleman knows the stations where he is going to make improvements, how much he proposes to expend at the different stations, and that information we are entitled to.

Mr. EMMERSON. The expenditures that are proposed to be covered by this $45,000 will be made at the following places : George's River, Boisdale, Shubenacadie, Iona, McKinnon's Harbour, Alba, Mines Road, Mulgrave, Afton, South River, Antigonish, Brierly's Brook, Marshy Hope, Barney's River, Piedmont, West Merigomish, Woodburn Station, New Glasgow, Glengarry, Lansdowne, Lawrencetown, West River, Riversdale, Union Station, Valley, Hilden, Brookfield, Alton, Stewiacke, Shubenacadie, Lakeview, Fairview, River John, Wallace Bridge, Belmont, Nauwigewauk, Folliegh, Westchester, Oxford Junction, Brown's Crossing, Boundary Creek, Salisbury, River Glade, Petitcodiac, Sussex, Canaan, Rogersville, Millerton, Gloucester Junction, Bathurst, Nash's Creek, Charlo, Dalhousie, Campbellton, Thomson, Flat Lands, Assametquaghan, Ste. Flavie, St. Pacome, St. Romuald, Mitchell, Rimouski, Charlotte, St. Edouard, St. George, Quebec.

Mr. BARKER. The hon. gentleman does not say how much he is going to spend at each of these points.

Mr. EMMERSON. It is pretty difficult to give the expenditure at each particular

point, but the amount estimated by the engineers of the department has been fixed at $45,000.

Mr. BARKER. But how did the hon. gentleman know, when he was going over these figures, that he was authorizing an application for a proper amount if he did not know what was going to be spent at these various places? We want to know that.

Mr. EMMERSON. I am asking for this appropriation on the advice of the engineers of the department, through the general manager, who have stated that they would require that sum of money to meet these requirements at the different points. I did not personally study it out in each particular case.

Mr. BARKER. The hon. gentleman must see that with the information he gives the committee he might as well take a blanket vote of $45,000 to do as he pleases with. Under the information the hon. gentleman has given us, he can expend three times as much at one place as has been asked for and a third as much at another. We are entitled to know what the hon. gentleman wants to do with this money. He has mentioned twenty different places. I ask him how much his general manager has told him he wants for each of these places. I do so for these reasons: A few years ago we raised in this House and before the Public Accounts Committee the question of the departments spending money that was not authorized to be spent. The Auditor General then said that he would see that it would not be allowed to occur again, but if we pass these general votes the Auditor General has no more control over it than have the members of this committee. The general manager should state to the minister how much he wants for each of these places, and then when we come to settle the question upon the accounts as reported by the Auditor General we will know whether the money was used for the purpose for which it is granted.

Mr. WM. ROSS (Victoria). Suppose the expenditure should exceed the estimates by $4,000 or $5,000, what would be the result?

Mr. BAKER. If the Auditor General did his duty, as he desires always to do his duty, that account would not be paid.

Mr. WM. ROSS (Victoria). Then the repairs could not be made.

Mr. BARKER. The hon. gentleman has not been listening. We are not speaking of repairs at all, these are betterments to the line. The repairs are paid out of the working expenses, but I think it is exceedingly probable that a great many repairs are done out of items like this, when proper particulars have not been given.

Mr. EMMERSON.

Mr. LENNOX. In connection with the vote for sidings the minister gave us an estimate of what was to be spent at each siding, and that is what we want in this case.

Mr. EMMERSON. I can give the estimate of the engineer for each of these places. Of course this is only an estimate, and as it necessarily would be subject to some variations I would not wish the department to be bound to the actual dollar. These estimates are mostly for extensions of platforms and in some cases for new stations, and repairs to stations. The general manager hands me a memorandum which shows the following estimates: George's River, $75; Boisdale, $75; Shubenacadie, $75; Iona, $75; McKinnon's Harbour, $1,200; Alba, $200; Mines Roads, $100; Mulgrave, $200; Afton, $75; South River, $75; Antigonish, $210; Briely's Brook, $75; Marshy Hope, $150; Barney's River, $100; Piedmont, $75; West Merigomish, $100; Woodburn Station, $2,500; New Glasgow, $200.

Mr. BELL. Is there anything more for New Glasgow?

Mr. EMMERSON. Not in this.

Mr. BELL. Is there a dwelling house at Woodburn?

Mr. EMMERSON. Yes; there is a telegraph operator at that point. Glengarry, $175; Lansdowne, $175; West River, $275; Riversdale, $275; Union (Station), $2,500; Valley, $275; Hilden, $975; Brookfield, $215; Alton (platform and station), $2,400; Stewiacke (station) $1,600; Shubenacadie, $900; Lake View, $275; Rockingham, $250; Fairview, $275; River John, $600; Wallace Bridge, $200; Belmont, $225; Nauwigewauk, $725; Folleigh, $75; Westchester, $380; Oxford Junction, $150; Brown's Crossing, $200; Boundary Creek, $150; Salisbury, $300; River Glade, $150; Petitcodiac, $150; Sussex, $950; Canaan, $1,500; Rogersville, $800; Millerton, $300; Gloucester Junction, $90; Bathurst, $1,000; Nash's Creek, $390; Charlo, $1,000; Dalhousie, $1,500 Campbellton, $500; Flat Lands, $100; Assametquaghan, $2,800; St. Flavie, $250; Rimouski, $500; St. Pacome, $1,175; St. Romuald, $250; Mitchel, $1,000; Charlotte, $500; St. Edward, $500 St. George, $500 and $5,520 in connection with advertising, inspection and engineering.

Intercolonial Railway—New superstructure, Restigouche bridge, $46,000.

Mr. EMMERSON. The appropriation last year was $123,000. This includes a revote of $36,000. We require $10,000 more to provide for the floor, a sidewalk, and painting, and also the inspection and engineering.

Mr. BLAIN. What was the total cost?

Mr. EMMERSON. $133,000 would be the total cost.

Mr. BLAIN. A year ago $183,000 was stated as the estimated cost. Perhaps the hon. gentleman will tell us wherein the decreased expenditure comes in.

Mr. EMMERSON. This is just for the superstructure. I think the estimated cost stated by my hon. friend included some enlargement of the sub-structure.

Mr. BLAIN. The Finance Minister last year said :

> The estimated cost of the steel superstructure is $163,000 ; for flooring, $6,000 ; for handling and storing, $5,000 ; for painting, $2,500 ; for inspection, $500 ; for engineering and other expenses, $6,000 ; in all making the total cost of this work $183,000.

Will the hon. gentleman state to the committee how the money was expended last year, under the different headings ?

Mr. EMMERSON. I find that I made an error in stating that the amount was $133,000. I did not take into consideration the expenditure in 1902-3, which will account for the discrepancy pointed out by my hon. friend. I think the amount expended has been less than the estimate of $183,000. There was an expenditure in 1902-3 of $40,817.43, and an estimated expenditure in 1903-4 of $87,000 ; and the $10,000 and the other items make up the whole sum—a little under the amount stated by my hon. friend.

Mr. BARKER. I desire to call the minister's attention to the fact that he told us a few minutes ago that the extra $10,000 asked for this year was to cover painting, flooring and inspection. Now, according to his own statement, every one of these items was included in last year's estimates. How is it that last year, with this work nearly completed, we were informed that a certain sum would be sufficient, and now the hon. gentleman wants another $10,000 ?

Mr. EMMERSON. I may say to my hon. friend that the work was not nearly completed last year. There were only two of the spans in recently, and the other three were under contract with the Canadian Bridge Company. But the total estimated cost of the bridge is correctly stated at $183,000.

Mr. BARKER. The hon. gentleman has just told us that the estimates of last year covered the painting, the inspection, the flooring and everything else for which he is now asking the extra $10,000.

Mr. EMMERSON. My hon. friend misunderstood me. I said that we wanted a revote of last year's appropriation of $36,000, and $10,000 in addition, to provide for these several items which the hon. gentleman has detailed.

Mr. BARKER. Does the hon. gentleman mean to say that he did not tell us a few minutes ago that last year's estimates did not include these items ? I would like to know whether last year's estimates did include painting or not ?

Mr. EMMERSON. The total estimated cost was $183,000. $41,000 had been expended in 1902-3, which leaves $142,000. According to the estimate, it required $142,000 to build that bridge when parliament voted the money last fall, but instead of voting $143,000, parliament only voted $123,000. That would leave nearly $20,000 of the estimated amount to be expended. It seems that we will not require that, but only $10,000 in addition to the $123,000.

Mr. BARKER. Does the hon. gentleman say that the $123,000 voted last year included painting, flooring and inspection ?

Mr. EMMERSON. I did not intend making any such statement, because it is not in accordance with the record. What I said was that $123,000 was appropriated last year. Of that $87,000 had been expended, or it was expected that $87,000 would be expended up to the 30th of June. That left $36,000, and in addition we are asking $10,000.

Mr. BARKER. Will the hon. gentleman now tell us distinctly whether or not the estimates of last year included painting ?

Mr. EMMERSON. The estimate did but not the appropriation. The estimate was for $182,000, but the $123,000 voted was not sufficient to cover those items.

Mr. BARKER. In making up the estimate of $123,000 last year, did the minister not then include the painting and the flooring ?

Mr. EMMERSON. I would not think so. I would gather this, that the department estimated the total cost at $183,000, which included these items, but the $123,000 which was voted was not sufficient to pay for all the items. That entailed a revote of $36,000 and in addition we require $10,000.

Mr. BLAIN. My hon. friend is certainly wrong if we are to judge by 'Hansard.' In last year's debates I find that the sum voted for Intercolonial Railway new superstructure for Restigouche, was $123,000. The Minister of Finance said (see page 8304) :

> $42,000 of this is a revote. The estimated cost of the steel superstructure is $163,000 ; for flooring, $6,000 ; for handling and storing, $5,000 ; for painting, $2,500, for inspection, $500 ; for engineering and other expenses, $6,000 ; making the total cost of this work $183,000.

When the Minister of Finance was asking for an appropriation of $123,000 last year, he enumerated the items on which it was to be expended, and gave the items I have here.

Mr. EMMERSON. That is not what the extract conveyed.

Mr. BLAIN. If it does not, it must mean something different from what it says.

Mr. EMMERSON. I may call attention to this fact. The item of cost of steel superstructure was $163,000. Then the Minister of Finance went on to state $6,000 as estimated cost of flooring; handling and storing, $5,000; painting, $2,500; inspection, $500; engineering and other expenses, $6,000; making a total cost of $183,000. That does not mean that the estimated cost of these items is included in the $123,000.

Mr. CASGRAIN. I would call attention to the condition of the station at Lévis. The platform is in a very bad shape. It consists really of three or four boards and many persons have to walk in the mud. The whole station appears unfinished. Is there anything in the appropriation to remedy this?

Mr. EMMERSON. Had my hon. friend been here, he would have seen that we have provided for all that in the estimates.

Intercolonial Railway—To dredging and blasting rock at deep water terminus, Halifax, $30,000.

Mr. EMMERSON. The vote last year was $21,000 and the estimated expenditure to the 30th of June was $10,000. That left $15,000 to be revoted and then we asked for $15,000 additional appropriation. These estimates were prepared in February last, or early in March. The officers had to estimate what was to be expended out of the sum placed at their disposal before the 30th of June. Their estimate at that time with respect to this particular item was $10,000 of the $25,000, and $15,000 in addition is now required.

Mr. R. L. BORDEN. When this vote was before the House last year and also on a previous occasion I suggested to the then Minister of Railways and Canals that it would be desirable, if the traffic at Halifax develops as I hope it will develop, to acquire the property south of North street along Water street extending as far south as Cornwallis street. I would like to ask the minister whether or not that matter has been under the consideration of the officers of his department? I see an item further down 'to increase accommodation at Halifax $135,000;' possibly that may relate to this purpose. If it does not I would like to discuss the question on this item.

Mr. EMMERSON. The question which my hon. friend has raised is having and has had the consideration of the officials and also of the department. I have had the details of the matter under consideration for some little time and I can say to my hon. friend (Mr. R. L. Borden) that he will have an opportunity of discussing this particular item at a later stage. It is not included in this item and this has no reference to it, nor has the other item to which he refers. He will, however, have an opportunity later on of discussing the matter. This is simply for the purpose of dredging rock between piers 3 and 4 so as to give a depth of 30 feet of water. This is an important matter and the vote is required.

Mr. R. L. BORDEN. I may say that the present condition is not at all satisfactory as no doubt the minister knows. In the first place a portion of the highway is occupied by the track. That has reduced the width of the highway very much, has rendered the street much less suitable for business purposes than it was before, and has very greatly depreciated, as I am informed, the value of the property on the west side of the street. The owners of this property some years ago commenced legal proceedings in the Exchequer Court of Canada for the purpose of recovering against the Crown the damages resulting from that depreciation of their property. Under the law they were unable to recover anything, probably for two reasons, certainly for one. The Statute of Limitations was invoked against them as they did not bring their action until six years after the damage had occurred and in the next place they probably would have failed as a strict matter of law because none of their property had been taken, and therefore, under familiar decisions, they could not recover damages against the Crown for depreciation. Nevertheless it is beyond doubt that the extension of the railway has caused some depreciation, at least, of their property. I do not know whether all the depreciation which the property has suffered is due to that cause but some of it at least is so due and when the property is taken over or expropriated, if that should be the policy of the department, I think that the government should in all fairness take into consideration the value of the property of these people as it was at the time when the railway was first constructed along the eastern side of the highway, otherwise these people will not be placed in the same position, so far as compensation for their property is concerned, as they would have occupied if their property had been taken at that time undoubtedly that value was reduced by the location of the railway immediately opposite their property and in this way taking up a considerable portion of the street. I do not think, as I said before, that proper accommodation can ever be obtained at Halifax until that property, or a portion of it, is expropriated, and I should be very glad indeed if the minister would include in his supplementary estimates some item which will indicate that that is the policy of the department.

Mr. HAGGART. What is the total amount which will be required to dredge out this rock and how much has been expended?

Mr. EMMERSON. The total amount that will be required is $70,000. Last year $25,000 was voted and $10,000 was expended. We are asking $15,000 more and when this is expended we will have expended $40,000 odd, leaving $30,000 to be provided for in 1904-5.

Mr. R. L. BORDEN. Will this expenditure increase the accommodation at the deep water terminus or will it merely improve the accommodation which we have at present? That is to say, is it designed to give greater depth of water or is it intended by means of this expenditure to accommodate a greater number of steamers than can be accommodated at present?

Mr. EMMERSON. It does not increase the area of the wharf accommodation; it deepens the water and affords accommodation for a greater number of vessels to lie at the pier.

Mr. R. L. BORDEN. What depth of water does it give?

Mr. EMMERSON. It is to provide for 30 feet.

Mr. R. L. BORDEN. Throughout the dock limits?

Mr. EMMERSON. Within the dock limits.

Mr. R. L. BORDEN. How much tonnage can be accommodated there at present?

Mr. EMMERSON. One of the piers there is not in good condition, but this dredging will give 30 feet of water over an area within which five of the largest ships can lie at low tide.

Intercolonial Railway—Improvements at Little Métis station and diverting public road, $4,000.

Mr. EMMERSON. Everybody knows that Little Metis is a favourite summer resort. The situation of the station was such that tourists getting off there, day or night, were compelled to cross the track, go away around, and then go over another level crossing, thereby increasing the distance to their destination and at the same time exposing them to a certain amount of danger. I am not personally familiar with the place, except by having seen it in passing on the train. But to afford proper accommodation for the station, and convenience to the travelling public, passengers as well as freight, we propose to purchase some land near the main highway, and build a station on the same side, thereby enabling tourists and others frequenting that resort to get to that point with less travel and greater safety to themselves.

Mr. CASGRAIN. Why was not this amount expended last year? The minister says now this expenditure was greatly needed. At the same time he might tell us what the $15 was expended for.

Mr. EMMERSON. I do not know that I am familiar with the expenditure of the $15. But my hon. friend is probably aware of the fact that the people who frequent that resort live on the shore in one parish, and that the people residing near the station, or on the land where the station is situated, are in another parish. It was proposed by the railway officials that the municipality at the station should give a right of way, recognizing as the officials did that this would be of advantage to the place and an advantage to that municipality as well. But the municipality did not see it in that light, and therefore negotiations took place between the department and the representatives of the municipality, with the result that we could not agree. The matter was finally referred to myself, and I decided that it should not be delayed any longer, that it should be determined, and that if these people would not provide the right of way the railway should provide it.

Mr. CASGRAIN. Can my hon. friend give some details of the negotiations that were carried on between the municipal councils and the Railway Department? I think that the municipality where the strangers go in summer is St. Octave, and the station is called Little Métis. Now with which municipal council was the department negotiating with, and what steps were taken to reach a solution of the difficulty?

Mr. EMMERSON. I think the land which the road traverses is in St. Octave and the other is Little Métis. A dispute arose between the officials of St. Octave and the Railway Department, and not with the people of Little Métis. The latter were very anxious to have it, but they felt that the St. Octave people should provide the right of way.

Mr. CASGRAIN. Would my hon. friend give some details of the negotiations that were carried on with the municipal council of St. Octave? Where did they break off?

Mr. EMMERSON. The negotiations with St. Octave were carried on through the mayor of Little Métis, Mr. Ferguson, I think his name is. The negotiations were carried on through him, with the result that certain resolutions were passed by the municipalities respectively. These came before the officials, but with no result. Nothing having been done, the matter was recently referred to me, and we concluded that we had better end the strife and change the road in the interest of the travelling public and of the railway.

Mr. CASGRAIN. I suppose that if there are no elections held this year we will revote this sum next year.

Intercolonial Railway—New station at Windsor, N.S., &c., $10,000.

Mr. LENNOX. We want an explanation of this. Last year the item for this station read as follows:

New station at Windsor, N.S., provided that the railway companies using the station make arrangements satisfactory to the Governor in Council for payment by way of interest or rental of a reasonable proportion of the cost, $10,000.

Mr. EMMERSON. This is simply a re-vote. There was some questions as to the company entering into a suitable arrangement with respect to the use of the station. But in the meantime the necessity for a station at Windsor is very great.

Mr. SAM. HUGHES. Who occupies this station ?

Mr. EMMERSON. There are only two roads that occupy it, the Dominion Atlantic and the Midland. The Intercolonial owns the Windsor branch, but it is under lease to the Dominion Atlantic.

Mr. R. L. BORDEN. When the vote is not accompanied with the qualification which is to be observed in the estimate of last year, that would seem to indicate either that the qualification has been abandoned, or that satisfactory arrangements have been made. Which alternative does the minister present to us ?

Mr. EMMERSON. I do not wish to have it understood that the Intercolonial abandons the position it has taken with respect to this matter. But I think it is fair to place the railway management in a position whereby, if the conditions absolutely require it, they may provide station accommodation there without being subjected to any hindrance from any other quarter. But so far as the attitude of the Intercolonial is concerned in relation to this matter, and with regard to the Dominion Atlantic, the Intercolonial does not recede one iota from the attitude which it has held heretofore.

Mr. LENNOX. Although the vote is not accompanied with any condition such as we had last year, we understand that the policy of the department appears to be in the same position as it was last year. Is that right ?

Mr. EMMERSON. That is the view which the department feels called upon to take.

Mr. R. L. BORDEN. Absolutely the whole amount is being revoted this year. Would the hon. minister state why a portion of it has not been expended and also give us an idea of the total cost of the proposed work ?

Mr. EMMERSON. There are two reasons why this work was not commenced. One was the lateness of the season at which the vote was passed. It was not desirable that the work should be commenced late last fall. Another was that no arrangement had been made with the Dominion Atlantic, and Intercolonial Railway was not disposed to recede from its position. As to the total cost it is supposed that $10,000 will provide a suitable station at that place.

Mr. LENNOX.

Mr. BELL. What do the Midland Railway Company pay for the use of that station ?

Mr. EMMERSON. They do not pay the Intercolonial Railway anything. They pay the Dominion Atlantic.

Mr. R. L. BORDEN. The length of the session last year has been put forward by the hon. minister as a reason for not proceeding with some of these works which were described as very urgent and necessary. For example we were told last year that the present station at Windsor was so absolutely inadequate that it should not be taken into consideration in determining whether or not this expenditure should all be charged to capital account. If that be the correct position it must be a very poor station indeed. My recollection is that in August or early in September, we voted one fifth of every item in the estimates without discussion in order that the business of the country might not be hindered and that the construction of these public works might not be delayed. Yet we are told by the hon. minister that the length of the session has prevented anything whatever from being done. I would like some explanation of that.

Mr. EMMERSON. While it is true there was a vote of a certain percentage, it was for the purposes of the financial department rather than for the purposes of any of the special departments of government and not having reference to the arrangement of work. While that is true, several departments of the government could not very well understand what should be done until these special votes went through parliament. The Intercolonial officials acted upon that principle. Unfortunately the general manager was obliged to be here the greater portion of the year until the latter end of October, and some of the engineers were here also in connection with the estimates before parliament. Then it was about the 1st of November before any of this work could be mapped out and arrangements made for it, and they found that to be entirely too late. The enhanced cost of doing work at that season of the year justifies delay where possible. But, a very strong element in respect to this Windsor Station I am bound to say was what was deemed to be the unfair position—perhaps I should not use that word—certainly what was deemed to be a position that was not in harmony with what the Intercolonial Railway wanted—taken by the Dominion Atlantic Company. The negotiations have not been satisfactory. I do not speak personally in respect to the matter never having been drawn into it, but the general manager has felt that they were not willing to meet the Intercolonial Railway in the way they should.

Mr. R. L. BORDEN. The Dominion Atlantic has a lease from the government of

the line from Windsor Junction to Windsor and also a lease of running powers from Windsor Junction to Halifax, as I understand it, and the rental is based on a certain proportion of the gross earnings. As a part of the terms of the lease the government is required to maintain the road. I suppose the maintenance of the road will involve the keeping up of the station. I do not know in what way the Dominion Atlantic is brought into the question as far as that station at Windsor is concerned. Of course, I recognize that at Windsor the line owned by the Dominion Atlantic joins the line owned by the Crown and which is leased to the Dominion Atlantic. Possibly that may bring the Dominion Atlantic into the question of the erection of a station. Nevertheless, if the station is to be constructed on the land of the Crown, and is to remain the property of the Crown and is to be included in the lease of the Crown to the Dominion Atlantic Railway Company, it seems difficult to understand why there should be any delay on account of the action or want of action of the Dominion Atlantic Railway Company.

Mr. EMMERSON. It is a question of the interpretation of the contract or lease. The department has held heretofore that there was a difference between maintenance and improvements. The position taken by the Railway Department during a number of years passed, as I am informed by the general manager, is that the terms of the lease do not require the Intercolonial Railway to make improvements. The department has felt that the Dominion Atlantic should contribute or enter into some arrangement, whereby, if an additional amount were expended, it should contribute in some way to that expenditure.

Intercolonial Railway—To increase accommodation, Amherst, $15,000.

Mr. LENNOX. This is a new item. Would the hon. minister give us some explanation of that?

Mr. EMMERSON. This is for general work, enlarging the yard and providing additional sidings. As any one who is familiar at all with Amherst knows the railway accommodation there is confined to a very restricted area. Rhodes, Curry & Co., have their works right on the margin of the road and there is a congestion of sidings, freight sheds and passenger accommodation. It is difficult to even properly utilize the land which is there now, but it is absolutely necessary that some arrangement should be made in respect to the sidings. The growth of traffic at Amherst during the past few years has been phenomenal and it behooves the railway to provide suitable accommodation.

Mr. R. L. BORDEN. What is the scheme—to acquire more land or utilize the land you already have?

Mr. EMMERSON. To utilize the land we already have. The total cost of this particular work is $15,000.

Mr. R. L. BORDEN. This vote will complete the whole work?

Mr. EMMERSON. This will complete the work on hand, but it is estimated that it will require about $70,000 altogether before the general and necessary improvements are made at Amherst.

Mr. LENNOX. What is to be done with this $15,000?

Mr. EMMERSON. To enlarge the yard and provide additional sidings; improve and level lumber yards; grade the grounds; enlarge cattle pens; provide two additional standpipes including waterpipes and connections, and to improve and enlarge the station.

Mr. HAGGART. Surely there must be an end to this enormous expenditure. Has the minister no pity for the poor ratepayers of Canada—asking $1,651,000 on capital account this year; a deficit on the running account of the Intercolonial Railway for ten months of last year of $545,000; a charge on capital account for ten months of $1,000,000; a charge on capital account on the Prince Edward Island road of $6,000 or $7,000, and we do not know what the deficit on the Prince Edward Island road is? Here is a total deficit including capital account on these two railways of nearly $2,500,000; this notwithstanding that $23,000,000 has been spent on the road since 1896, and the minister coolly comes down and asks for a further expenditure on capital account of $1,651,000.

Mr. CAMPBELL. We don't want any more government roads.

Mr. HAGGART. Not if they are managed as the Intercolonial Railway is. Why are you asking for this enormous expenditure? You should ask for nothing this year except for what is absolutely necessary for the road. Is the House going to submit to this; is the country going to submit to it; and especially as I am reminded by an hon. friend that you are going to build another line from the Atlantic to the Pacific?

Mr. DEPUTY SPEAKER. Carried.

Mr. HAGGART. It is not carried. I want to know from the minister if this is the smallest amount necessary for the purpose of carrying on the road this year? What justification is there for this?

Mr. EMMERSON. I am sorry to have harrowed the feelings of my hon. friend. There is one way we can obviate this expenditure and that is to leave the Intercolonial Railway in the conditon in which it was in 1895-6. We could allow the road to run down; we could allow its cars to

rattle along and the trains to run in a go-as-you-please-manner ; and we could permit the road-bed to get into a condition which would not be creditable to us. But in order to keep it up to its present efficiency ; and in order to provide accommodation all along the road and to meet the demands of the traffic ; we have to make this expenditure. For instance there is no more thriving town in this Dominion than the town of Amherst. There is no place where the manufacturers are progressing and advancing to a greater extent. I do not happen to have the honour of representing the town ; it is very worthily represented by my hon. friend from Cumberland (Mr. Logan) whose modesty will not permit him to mention his own name.

Mr. SAM. HUGHES. Or come back to the House.

Mr. EMMERSON. Don't be alarmed about that. My hon. friend (Mr. Logan) will come back to the House and continue to worthily represent the county of Cumberland.

Mr. HENDERSON. Where is Amherst ?

Mr. EMMERSON. Just outside of Halton. Halton covers most of the earth and Amherst is included in what is left on the fringe. The trade of the Intercolonial Railway demands this vote, and I do not think there is any occasion for the outburst of my hon. friend (Mr. Haggart), but probably he was not as serious as he looked. I trust he will feel that we are doing our best for the Intercolonial Railway

Mr. HAGGART : The Minister of Railways seems to think that this is quite a light affair. Here you have an annual loss of $2,300,000 on the Intercolonial Railway and Prince Edward Island Railroad, an expenditure of $23,000,000 since 1896 for the purpose of making it a paying concern, and instead of that it is falling back each year. Let me tell the hon. gentleman that it was not a rattletrap road in 1896. The road was kept in excellent condition in 1896. Every dollar that was required to be spent was spent on it ; the instructions were to keep it in first class order, and it was delivered over to the Liberal government in first class condition. We built this road for the benefit of the maritime provinces, and I hope for our own benefit. We do not expect to make any profit out of it ; we look upon it, as the minister said, as a free gift to the people. But, we do not want to see this extravagant and useless expenditure made on it. And notwithstanding the $23,000,000 which the road has cost since 1896, and all the deficits on its working, we have the minister coming here with a glib tongue and asking for $1,900,000 this year on capital account, just after there has been a deficit of $1,700,000.

Mr. LOGAN. It is delicious to hear my hon. friend (Mr. Haggart) speaking in this manner about the Intercolonial Railway. We will be coming pretty soon to the estimates for canal expenditure, and let me tell the hon. gentleman that we in the maritime provinces not only paid our share for these canals, but we have cheerfully and willingly agreed that the canals of this country should be as free to navigation as is the ocean itself. Now, the hon. minister is endeavouring to improve the Intercolonial Railway. Everybody who has travelled in the maritime provinces knows that in 1896 the railway was almost producing grass on its roadbed. To-day it is being made an up-to-date road. The item under discussion is for increased accommodation for the town of Amherst. I may say that the freight receipts of the town of Amherst, when the hon. gentleman (Mr. Haggart) was Minister of Railways, amounted to less than $75,000, whereas this year they have amounted to $247,000. Are we to mark time ? Are the accommodations for freight that only brings $75,000 to be equal to the accommodations for freight that brings a quarter of a million ? The industries of the town of Amherst have developed with remarkable strides under the present administration and the present tariff. Take one industry alone, in the vicinity of the station. The firm of Rhodes, Curry & Co. in 1896 was doing a business of only $425,000 a year, and employed less than 300 men. Last year the same firm did a business of $2,700,000 and employed 900 men in their home manufactory, and 400 or 500 in other places. The country is growing, as the hon. gentleman should realize, and the accommodation at Amherst is absolutely inadequate to the needs of the manufacturers, shippers and merchants of that town. Our freight has been lying on the sidewalks for want of room in the freight sheds ; our sidings have been jammed full of cars, with insufficient means for shunting ; and the hon. minister is doing only the proper thing, which should have been done three years ago, in providing this increased accommodation. I am glad to hear the statement that the scheme is maturing for expending $70,000 for the accommodation for a place which, if it keeps on growing, as it is now, will be a city in four or five years.

Mr. HAGGART. The remarks I made had reference, not to Amherst, but to the whole vote.

Mr. EMMERSON. The greater includes the less.

Mr. HAGGART. Yes, the greater includes the less. I am delighted, as everyone else must be, at the increased business at Amherst. We wish the whole business of the Intercolonial Railway would in-

crease at a like rate, and that there would be an end to the deficits. The hon. minister will not increase the rates on the road; he says the people of the country will not submit to any increase. We have, then, to submit patiently to a loss of between $2,000,000 and $2,500,000 a year for the purpose of keeping the Intercolonial Railway running. That railway could be run without any loss whatever, and kept up to its present standard. These expenditures for sidings, deep water termini, and many other things are interminable, and are not justifiable at all. The whole surplus earnings of the Dominion government up to last year were expended on the extension of the Intercolonial Railway to Montreal, and the payment of the deficits. The fact of the matter is that between $22,000,000 and $23,000,000 has been expended from 1896 up to last year on the Intercolonial Railway. Nearly all the surpluses of the government up to last year were dropped into that sinkhole. Last year the amount on the Intercolonial alone was $2,300,000, and this year it is $1,800,000. I do not know what it is on the other roads.

Mr. BROCK. The remarks of the hon. member for Cumberland (Mr. Logan) discredited the management of that road more than anything that has been said on this side of the House. He speaks of the enormous increase that has taken place in the receipts at the town of Amherst. If there is anything like that increase in the earnings of the road, that fact is a great condemnation of its management generally. There must be something radically wrong with it. Either they are carrying freight and passengers at altogether too little, or it is costing a great deal too much to carry them. Hon. gentlemen must take either horn of the dilemma. They cannot keep on bragging that they are increasing the traffic of that road unless they show that they are getting a little nearer to making it self-supporting. The hon. member for South Lanark (Mr. Haggart) has often stated in this House that that road could be made self-sustaining. If the same rates were charged on the Intercolonial that are charged on other roads in this country, we would not have the tremendous deficits which we are confronted with from year to year. If the hon. member for Cumberland would try to help the government instead of criticising them so severely as he has done to-day, he might do some good. The statement that that road was in a ramshacle condition in 1895-96 is not in accordance with the facts. Compared with other roads at that time, it was pronounced by eminent engineers to be the best road in the country.

Mr. LOGAN. Will the hon. gentleman name the eminent engineers ?

Mr. BROCK. It is not necessary. The deputy minister will know very well who the eminent engineers are. I state as a fact that that road, in its roadbed and its equipment, was the best road in the country at that time; and in that shape it was handed over to the present government. Yet hon. gentlemen opposite, when they were on this side of the House, condemned the late government for their expenditures on the road. There is a grave suspicion that the Intercolonial Railway is doing business largely for the benefit of the local traffic, at a very low rate, and that that low rate is the reason for the very serious deficits which occur year after year. Now that the present Minister of Railways and Canals has taken charge, we have a right to expect much better things from his great experience in these matters. If he will see that proper rates are charged, some of these deficits might be saved to the country.

Mr. R. L. BORDEN. So far as this particular item is concerned, I regard it as perhaps less subject to criticism than any other item among those we are discussing. The town of Amherst undoubtedly has made very great progress during the last ten years. I would not be inclined to attribute that progress exactly to the causes mentioned by my hon. friend from Cumberland (Mr. Logan). I would attribute it rather to the business enterprise of the people, and their great capacity in developing their industries. I believe the town of Amherst has almost doubled its population, perhaps quite doubled it, within the time I have mentioned. Undoubtedly the output of the manufacturing establishments of the town has enormously increased during that period; but that is owing to the general prosperous conditions which have prevailed throughout the world, and more especially to the remarkable ability and enterprise of the people who are engaged in those enterprises in that particular town. I believe the accommodation at Amherst is inadequate at the present time, and I for one am very glad indeed to support the vote of $15,000 for giving better accommodation. Not only is there the great manufacturing establishment of Rhodes, Curry & Co., but half a dozen others which might be named. There are the Robb Manufacturing Company, which manufactures engines of all kinds, the Amherst Boot and Shoe Company, and a number of other enterprising and prosperous concerns, which are continually turning in very large amounts of freight to the Intercolonial Railway.

Undoubtedly if the traffic along the whole route of the Intercolonial had developed in anything like the proportion shown in the town of Amherst, there would be a very different condition of affairs presented from that which the hon. minister submits to us. I believe that the road should be kept up to a very high standard, and when my hon. friend from Cumberland says it was not so kept up in days gone by, he probably forgets that when we purchased the Drummond County Railway, some two years after the

present government came into power, the Intercolonial was held up as a standard of the highest excellence, and the argument used was that the Drummond County road, with a comparatively small expenditure, could be brought up to the standard of the Intercolonial.

Mr. LOGAN. That is the standard of the roadbed.

Mr. R. L. BORDEN. It is of that I was speaking. Improvements undoubtedly have been made in the car service, and we on this side have supported the government in making those improvements.

Mr. KENDALL. I would like to point out the fact that the Intercolonial is seriously discriminated against in the purchase of its coal. The Canadian Pacific Railway and the Grand Trunk Railway purchase their coal delivered in Montreal cheaper than the Intercolonial can purchase its coal in Sydney, Pictou and Cumberland. The local consumers in eastern Canada are likewise discriminated against. There is certainly a remedy which could be applied. If certain large and valuable coal areas were taken hold of and worked by the government, we could get coal as cheap as other railways and the eastern consuming population would get it at a price probably 50 cents per ton cheaper than now.

Mr. LOGAN. I cannot allow the statement of my hon. friend to go unchallenged. On certain occasions I have had the opportunity of going very carefully into the coal sales of the different large coal corporations in Nova Scotia, and I can prove that the average price charged the Intercolonial is less than the price charged private consumers in the maritime provinces or anywhere else. The coal companies of Nova Scotia have been able to increase the rate paid the miners of that province the last few years by over twenty per cent, and they cannot be expected to sell coal as cheaply as in days gone by. If they were to lower their prices, they would have also to lower the wages of the men. My hon. friend says that coal is sold cheaper at Montreal to the Canadian Pacific Railway and Grand Trunk Railway than to the Intercolonial in Cape Breton. That is easily explained. Everybody knows that there are certain competitive points at which coal, as well as other commodities, has necessarily to be sold cheaper than elsewhere. Montreal is a competitive point for the American coal mines, and the mines of the maritime provinces, and that is the only reason why coal is sold there at an exceedingly low rate, but it does not follow that the government should go outside of Canada to buy coal from foreign companies. Even if we do pay a few cents more per ton on the Intercolonial, we are buying from our own coal mines which are worked by our own workmen.

Mr. SAM. HUGHES. Could the hon. member give the House the increase in pay to the miners in Cape Breton compared with what is paid in Pennsylvania? I understand that in Pennsylvania the miners are paid some twenty-five or thirty per cent more than the miners in Cape Breton.

Mr. DEPUTY SPEAKER. This is out of order.

Mr. LOGAN. No doubt it is, but as a representative of a coal mining constituency, I could not allow the remarks of my hon. friend to pass unchallenged. I may tell the hon. member for Victoria (Mr. Sam. Hughes) that the wages paid our Canadian miners are higher than those paid the miners of the United States.

Intercolonial Railway—To increase water supply, $12,500.

Mr. R. L. BORDEN. Is that a general item?

Mr. EMMERSON. That is a general item. There are several points at which the supply is to be increased. This is to increase the water supply at St. Michel, Aston Junction Springhill Junction, St. Fabien, Ste. Anne, Trois Pistoles, L'Islet, Drummondville, and it is also for the purpose of procuring a well-boring machine. The total asked for this year is $12,500.

Mr. R. L. BORDEN. What is to be the total expenditure?

Mr. EMMERSON. Including the expenditure of last year, $165,000.

Mr. ARMSTRONG. Has the well-boring machine been purchased, and is this to be a Canadian well-boring machine?

Mr. EMMERSON. We ask for tenders; I presume it will be a Canadian machine.

Mr. SAM. HUGHES. Did you advertise for tenders?

Mr. EMMERSON. We advertised for tenders.

Intercolonial Railway—Increased accommodation, Amqui, $7,000.

Mr. LENNOX. Will the minister give an explanation of this?

Mr. EMMERSON. Last year $5,000 was asked for a station at that point. $3,000 was the estimated expenditure up to June 30th, 1904, and we now ask for a revote of $2,000. We ask for a new vote in addition to that of $5,000 to cover the moving of the old station and converting it into a freight shed, the enlarging of the shed and an additional siding. I might state that an amount of about $3,000 will be required later to allow for the cost of the station, which will be greater than the estimated cost, and also

for a platform and other work in connection with the station. The total expenditure on improvements at Amqui since June 30, 1900, has been $1,395.46, and the expenditure from June 30, 1903, to May 1, 1904, has been $355.66, a total of $1,751.12.

Mr. LENNOX. How much will it take to complete the railway station and dwelling ?

Mr. EMMERSON. It will take all of that to finish the station and dwelling, and there will be an amount of about $3,000 more.

Mr. LENNOX. How much will it take to make the shed and accommodation the minister speaks of ?

Mr. EMMERSON. The freight shed will cost about $500, and about $4,500 will be required for the additional accommodation and additional sidings.

Mr. LENNOX. The minister says that the tenders exceeded the estimate. Did they also exceed the appropriation ? How much were the tenders ?

Mr. EMMERSON. The first tenders were deemed too high and we asked for tenders a second time, but the result of the second call was not more favourable than the first. We accepted the lowest tender, which was put in by a man named Huarde. I think it was somewhere about $5,000.

Mr. LENNOX. That was for the station and dwelling alone ?

Mr. EMMERSON. Yes.

Mr. LENNOX. I do not think that is carrying out the terms upon which the appropriation was made last year. We were asked last year for increased accommodation, $4,000. The hon. member for Hamilton (Mr. Barker) asked what the vote was for, and the minister said :

> It is to furnish a new station and dwelling which will cost $3,700, an extension of the freight sheds and other accommodation.

Mr. EMMERSON. Yes.

Mr. LENNOX. We were led certainly to understand last year that all the expenditure within view at that point was $4,000 for the railway station, the dwelling, the shed accommodation and the other accommodation that was required. Now the minister admits that the tenders put in were at least $1,000 beyond the appropriation. I think it will be hard for the minister to explain on what principle he justifies the action of the department. I do not speak of this because it is a large item ; it is only a small extravagance in this case, and only a small departure from what we authorized. It is substituting an expenditure of about $10,000 where we only expected to spend $4,000. At all events, it is committing us to a definite expenditure of $1,000 in excess of the appropriation, and not including all the work that that appropriation was intended to cover. I do not care about the amount, it is the principle that is involved which concerns me.

Mr. EMMERSON. I am willing to answer my hon. friend as respects the item. I find the Minister of Finance stated :

> This is to furnish a new station and dwelling, which will cost $3,700, and an extension of the freight sheds and other accommodation.

That was the estimated cost of the new station, but he did not mention what was the estimated cost of the extension of the freight sheds and other accommodation. He asked for a vote of $5,000. It was expected that the station would cost only $3,700 ; instead of that, although we asked for tenders twice, we were not able to get anywhere near those figures, and in order that the work might go on we finally let the contract and had to exceed that estimate. But I find nowhere here a statement from the Minister of Finance that that was all the money he was going to require for the increased accommodation at Amqui. There is nothing to lead one to conclude that such was the fact ; in making the appropriation he did not appear to know what was expected to be the total expenditure at that point. I do not think the department has acted strangely or unfairly. We have endeavoured to meet the requirements of the railway at Amqui. They are getting a station which is costing more than the estimate, they are getting it in the best possible way, that is, by tenders from all quarters along the line. Surely the department is not to be condemned in this matter. These things were not contemplated in the appropriation for 1904. While they expect a certain expenditure is necessary, they do not make provision for it all in any one year, they make an appropriation on account from year to year until complete facilities are obtained.

Mr. BARKER. I object decidedly to the position taken by the minister. Every year we have applications made to us for money to increase accommodation at particular stations, and invariably the minister says, we want so much money. When he is asked what it is for, he says it is for such and such buildings, extension of sidings, improvement of yards. Now the hon. gentleman says that does not mean that the sum asked for is going to do the work, it is only on account. But the minister when he asks the appropriation does not say it is on account, he leads this House to understand that the money he is asking for will do the work. That is one reason why a great deal of time is occupied in discussing these matters in the House. It is almost impossible to get a straightforward answer from hon. gentlemen on these subjects. I speak out plainly, I say just what I mean, and if the Minister of Finance were here, or his predecessors were here, I would say the same thing.

Mr. EMMERSON. That is very unkind.

Mr. BARKER. On occasion there is an avoidance of telling the whole truth—that is the plain English of it. The hon. gentleman says that when the money was asked for last year nothing was said about its being in full. Surely the minister last year ought to have told us that more would be required. If he throws the responsibility on the officers of the department, what are we to think of the officers who ask money for an improvement at a station and next year tell us they want more for the same station. Either the minister does not take the trouble to tell the House what he is going to do at the station, or the officials are very careless in what they tell the minister—I don't care what way the hon. gentleman puts it. He is responsible for his officials, and it is his duty to get the facts from them and tell the House the whole facs.

Mr. LENNOX. The minister wants us to understand that when that vote was asked for last year it was for the purpose of building a station and dwelling only. If the minister is correct in that statement, what have we then ? We have this fact, that an appropriation was made for $4,000 last year and a contract was let for that work at $5,000. Now it is not a question of big or little, it is a question of principle. When parliament makes an appropriation of $4,000 for a work which is stated to cost $3,700, it is hard to understand why they can exceed the estimate by $1,300 and exceed the appropriation by a thousand dollars. Now the minister says that the appropriation was made for the purpose of building a railway station and a dwelling. I want to say it was for nothing of the kind. The item in the last year's estimate said 'Increased accommodation at Amqui, $4,000.' The member for Hamilton (Mr. Barker) asked what that vote was for, and the Minister of Finance said :

> This is to furnish a new station and dwelling, which will cost $3,700, and an extension of the freight sheds and other accommodation.

Will the minister contend that that does not include anything beyond the station and dwelling ? Surely it was represented to the House last year that $4,000 was for the purpose, not only of the station and dwelling, but of a freight shed. Is not that plain ? Not only was it for the purpose of the house and dwelling combined, but of a freight shed and for other accommodation which was not specified. I am not arguing whether it included the yard extension that the minister speaks of to-day, but I am contending that it included the station and dwelling combined, and an extension of the freight sheds and some other accommodation. Without any freight accommodation, the freight shed alone, would cost $500, and for what was to cost $3,200, taking the $500 off the $3,700, they let the contract at $5,000. If that line is to be pursued in reference to these appropriations we ought to know it.

Mr. EMMERSON. Perhaps this is a case in which are both right. I think my hon. friend is forgetting the blanket vote of one-fifth because there was $1,000 provided by the blanket vote. I think my hon. friend is forgetting that.

Mr. LENNOX. No, I am not. If that were the case there would be one-fifth added to the item we have in these estimates.

Mr. EMMERSON. We had appropriated in 1903-4 $5,000. That was the amount provided by the appropriation Bill. One thousand dollars of it was appropriated previous to the final vote when the blanket vote of one-fifth of the total was given.

Mr. LENNOX. I do not think my hon. friend will get much consolation out of that. I refer my hon. friend to page 12601 of 'Hansard' of last year. The vote for this purpose was $4,000 and the amount stated was $3,700 in the estimates I am speaking of.

Mr. EMMERSON. I have read that.

Mr. LENNOX. That does not help my hon. friend in the slightest degree no matter whether what he suggests, that the vote had been increased, is correct or not.

Mr. EMMERSON. There had previously been a $1,000 vote and the remarks of my hon. friend the Finance Minister had reference not only to the $4,000 item but to the one-fifth of the total.

Mr. LENNOX. They could not have reference to that $1,000 because we were speaking of the $4,000 which was then before the committee and for the additional reason that he specifies the cost of the structure he was about to erect. It is not possible for my hon. friend, if he thinks of the matter, to explain it in that way. Granting that there is some ground for my hon. friend's contention that we should add $1,000 to that $4,000 and make it $5,000 the hon. minister of Finance undertook that with that $5,000 he would complete the building, freight sheds and other improvements. According to my hon. friend's statement to-day the freight sheds are to cost $500. Take that off and you have only $4,500 for the building to be erected ; yet, he has let a contract for $5,000, although I do not understand that that will complete it.

Mr. EMMERSON. Surely the committee is satisfied with my explanation.

Mr. SAM. HUGHES. What is the annual freight return from Amqui ? Does the hon. minister know where that station is ?

Mr. EMMERSON. Yes.

Mr. SAM. HUGHES. I think it is only fair, where these large expenditures are

asked for these stations, that we should have some statement as to the traffic and revenue at these places. There was a very satisfactory explanation made by my hon. friend from Cumberland (Mr. Logan) as to why the accommodation should be increased at Amherst and I think it is only fair that we should have an explanation as to why the accommodation should be increased at Amqui. What is the traffic carried on at this place ?

Mr. EMMERSON. The revenue at Amqui is upward of $35,000.

Intercolonial Railway—Increased accommodation, Stellarton, $41,000.

Mr. EMMERSON. The amount voted last year was $32,000. It was estimated that the expenditure up to the 30th June would be $13,000. We require a revote of $19,000. In addition to that we want $22,000.

Mr. R. L. BORDEN. I would call the hon. gentleman's attention to the fact that no portion of it is inserted in these estimates as a revote.

Mr. EMMERSON. It is a clerical error because it is a revote.

Mr. BELL. When is the work of construction on the new building to be commenced ?

Mr. EMMERSON. Tenders are being called for now.

Mr. BELL. What is the station to cost ?

Mr. EMMERSON. The estimated cost of the station building is $16,000.

Mr. SAM. HUGHES. Is that all ?

Mr. EMMERSON. I cannot satisfy you.

Mr. BELL. This is a very important point. Really this is a terminal point. The road to Oxford starts at this point. It is a railway centre and I am well aware from my knowledge of the locality that the expenditure of a large amount of money will be necessary.

Mr. EMMERSON. I may say we are providing covered platforms and that they will cost $7,000 perhaps. In addition to that we are providing a number of additional tracks.

Mr. SAM. HUGHES. That is not included in this $41,000.

Mr. EMMERSON. Yes, that is all included in this $41,000.

Mr. BELL. This work has been in hand a very long time. It was commenced last fall. I would like an explanation why it has been progressing so slowly ? It is very necessary. Almost every person who travels through Nova Scotia has to change there. I would like some explanation as to the cause of the delay which has apparently taken place in carrying on this work.

Mr. EMMERSON. There was a large amount of work. There was a machine shop, an engine house, a car repair shop, a building for the storage of wrecking plant, a building for other stores, offices, and a baggage building all included in this expenditure. The work has been going on. The station building, it is true, has not been erected ; but that was not of such urgent necessity as were the other works. It cannot be said the department has delayed in the matter. The machine shop and the car repair shops were very urgent.

Mr. SAM. HUGHES. Has the minister a general plan for stations along the line of the Intercolonial Railway ?

Mr. EMMERSON. We have for the small stations along the line a general uniform plan, but in respect to the larger stations there have to be special plans prepared.

Mr. BELL. What is the material of which this station is being built ?

Mr. EMMERSON. Brick.

Mr. LENNOX. I would ask the hon. minister to give the items that go to make up the increased vote beyond what is represented by the revote.

Mr. EMMERSON. The estimate is as follows : land and legal expenses, $4,300 ; baggage building, extension freight shed, moving buildings, extension to coal trestle, $5,000 ; covered platform between $6,000 and $7,000 ; track engineering and inspection, $5,700.

Mr. BLAIN. Is the engineering and inspecting done by local men ?

Mr. EMMERSON. There will be a local inspector.

Mr. BLAIN. Last year there was $2,500 for engineering and inspecting.

Mr. EMMERSON. That was the inspection on the proposed vote of $32,000 ; this is for new works including the $22,000 of a new vote.

Mr. BLAIN. Last year the minister of Finance stated that $32,000 was all the expenditure that was contemplated at that point. It seems strange that an increased amount should be asked for now.

Mr. EMMERSON. I hardly think the Minister of Finance made that statement. I do not think any minister would be justified in placing a limit on the expenditure that may become necessary at Stellarton. It is a great coal and railway centre and in my judgment the probabilities for the future will demand very great improvements even beyond those now contemplated. The Minister of Finance must be under a misapprehension if he said that.

Mr. BLAIN. Possibly so; it is these indefinite statements that make it impossible for us to understand.

Mr. EMMERSON. You see how definite I am.

Mr. BLAIN. Oh, yes. The minister stated last year, as reported in 'Hansard.'

The present appropriation will finish all that is contemplated.

That language was clear enough.

Mr. EMMERSON. Last year the minister gave a list of special works for which $32,000 would be required, and what he said was that this sum would complete those special works. We are not asking any more now to complete these works but we are asking a further sum for the other special works which I have mentioned. You cannot foretell what may be necessary at a place like this. It is only as the town grows and by the process of evolution that you can make provision for the requirements. The minister did not say last year, and I do not say now, that if you vote this $22,000 it will cover for ever the improvements at Stellarton. I could not say that and be just to the town or the railway, or to myself. It seems to me that the Minister of Finance did not mislead the House last year, and I am sure he would not wish to.

Mr. BLAIN. The minister is altogether wrong in saying that we propose to bind him down to this expenditure for ever.

Mr. EMMERSON. I would not bind myself even for a year; there may be new conditions.

Mr. BLAIN. When the minister asks the expenditure of money at a small town like this—

Mr. EMMERSON. It is no small potatoe town.

Mr. BLAIN. I did not say anything about it being a small potato town; it is not a city.

Mr. EMMERSON. It is a large industrial centre.

Mr. BLAIN. I suppose so, and I hope it will grow more prosperous, but I do say that when the minister comes down and asks for a vote, and then asks for a further vote before that money is expended it is not a businesslike way of proceeding. The department should have known all the improvements that would be required within the next couple of years, and they should lay plans, and specifications, and estimates before the committee of the total probable cost. Then if be necessary, the minister could state that he was not asking for the full vote this year. What I am objecting to is the small piecemeal policy of the department in such matters. I have no doubt that the sending of engineers back and forward to inspect these works year after year must add to the cost. I am quite sure it adds to the cost of the country and is not in the interest of the people.

Mr. BLAIN.

Intercolonial Railway—Engine-house, machine shop, &c., Rivière du Loup, $88,000.

Mr. EMMERSON. The total expenditure is $138,000, of which $50,000 was appropriated last year and the balance this year. We require an extension to the machine shop, some additional land, some drain and water service, some sidings in connection with these works, additional freight and ice houses, and a new coal-handling plant.

Mr. BLAIN. I understand that tenders were asked for the construction of this machine shop?

Mr. EMMERSON. Yes. The contract was awarded to the lowest tenderer, Mr. Emile Dubé.

Mr. BLAIN. At what price?

Mr. EMMERSON. Between $61,000 and $62,000.

Mr. BLAIN. Will that complete the work?

Mr. EMMERSON. It is estimated that this $88,000 will complete the works which I have mentioned.

Mr. BLAIN. Does the minister anticipate any enlargements next year?

Mr. EMMERSON. I have none in mind now.

Mr. BARKER. Has the minister inquired from the general manager whether any other works beyond what are here provided for are likely to be needed within the next three or four years? Surely that is a business-like question for him to put to his manager.

Mr. EMMERSON. The general manager states that he thinks of nothing at present. It is within the knowledge of the committee that Rivière du Loup is the principal repair point for the Intercolonial in the province of Quebec. It is a divisional point, and it requires a machine shop and all the equipment necessary for the divisional point of a railway. It is a place destined to grow, I believe, and new requirements will necessarily present themselves in the future, but the general manager states that he has not anything within his knowledge at present.

Mr. LENNOX. There has been nothing new added to this matter this year?

Mr. EMMERSON. The freight and ice houses and the coal-handling plant are items which were not included last year. They amount to about $10,000.

Mr. BLAIN. When is the work to be completed under the tenders which have been invited?

Mr. EMMERSON. It is proposed to have them all completed within the present fiscal year. I cannot give the exact date.

Mr. LENNOX. Has the building site been got?

Mr. EMMERSON. Yes.

Mr. LENNOX. What did it cost ?

Mr. EMMERSON. A little over $11,000. The cost did not exceed the estimate.

Intercolonial Railway—Engine-house, &c., Chaudière Junction, $45,500.

Mr. EMMERSON. This is simply a revote. Of the $83,500 voted last year some $40,000 has been expended. There is nothing new in this vote. The details are the same as those given last year.

Intercolonial Railway—Increased accommodation, St. John, $73,000.

Mr. DANIEL. Would the minister explain whether this large amount is appropriated to finish the works that are being carried on at the new round-house, or for what purpose this vote is asked ?

Mr. EMMERSON. The vote last year was $111,000. That included a large, 18-stall engine-house and other works, a coal shed and quite a number of items, the details of which were given, showing the whole amount to be $111,000. There was estimated to be expended down to June 30th last $63,000, leaving a balance of $48,000. We are asking for a revote of $48,000.

Mr. LENNOX. It does not say so here.

Mr. EMMERSON. There must be some clerical error, because that error was not made in the department. In addition to that, we want an addition to the freight shed at St. John and also an addition to the baggage room and an extension to the covered platform.

Mr. DANIEL. What was the cost of the new round-house, or is that the building to which the minister refers as a new engine-house ?

Mr. EMMERSON. It is an 18-stall engine-house. Last year we paid on this $41,355. The contract price was $71,900, and part of it was paid in the fiscal year 1902.

Mr. DANIEL. Has it been built within the contract price ?

Mr. EMMERSON. Yes.

Mr. BLAIN. Last year the minister said that the estimated cost of the round-house was $13,800.

Mr. EMMERSON. That must be a mistake. We asked for a vote of $111,000, and the sum total of all these items was given. It was a balance then due, which included the balance due on a contract of 1902, which was for $71,900. The total cost was about that sum.

Intercolonial Railway—To increase accommodation, Halifax, $135,000.

Mr. BLAIN. Would the minister explain that ?

Mr. EMMERSON. We are asking for a revote of $135,000. Last year the details were given, the total expenditure being $229,500. The estimated expenditure up to June 30, was $94,500, which leaves an amount to be revoted of $135,000. The matter having been discussed last year, I do not suppose that we need take up time discussing it now.

Mr. BARKER. I would like to ask the minister to explain generally as to these items. Large votes were taken last year for increased accommodation at Halifax, Pictou, North Sydney, Moncton and two other points. Very large votes were taken and very large sums carried over. There must have been some reason for that, and perhaps the hon. gentleman will explain.

Mr. EMMERSON. With regard to Pictou, the delay there occurred in consequence of the difficulty in settling the question of the site of the new station. That has been settled recently.

Mr. BARKER. Was that difficulty not known last year as well as since the vote was taken ?

Mr. EMMERSON. It was thought that it could be settled, but new questions arose.

Mr. BARKER. Of what nature ?

Mr. EMMERSON. In matters relating to a government road, you cannot simply look at matters on one side of the sheet entirely as a company can do. They can simply study the matter from their standpoint and from no other. The Intercolonial must be studied from the standpoint of the general public.

Mr. BARKER. Or a general election, perhaps.

Mr. EMMERSON. No ; I do not think, when a petition comes in signed by a very large number of residents of an intelligent community like Pictou, that it is always connected with some election, or that there is something wrong about it. A petition came in signed by a very large number of residents and citizens of Pictou. That petition arrested the attention of the department, the matter had to be inquired into, and I know that since I came into the department myself I gave the matter a very great deal of study, and it was finally concluded, perhaps not to the satisfaction of everybody, but I think for the convenience of the general public of Pictou and of the travelling public who pass through Pictou on their way to Prince Edward Island.

Mr. BARKER. I suppose the hon. gentleman has endeavoured to do the most good possible ?

Mr. EMMERSON. Precisely ; I try to be a public benefactor.

Mr. BELL. Can the minister tell me what properties have been taken in for this station ?

Mr. EMMERSON. A very small portion of the Primrose property has been taken.

Mr. BELL. I would like a list of the properties.

Mr. EMMERSON. There is no other property; the station will be so placed that it will not be necessary to take in anything but a small portion of the Primrose property.

Mr. BELL. Will the new station be east or west of the custom-house?

Mr. EMMERSON. East of the custom-house.

Mr. BELL. And what is the total expenditure for the land?

Mr. EMMERSON. About $1,000.

Mr. BELL. That is purchased, I suppose, by negotiation, not by tenders?

Mr. EMMERSON. By negotiation. There are only $1,000 expended for land.

Mr. BELL. Are the plans completed for the station building and for the yard improvements and changes?

Mr. EMMERSON. They are working at them now, but they are not quite completed.

Mr. BELL. Was not some land taken in addition to widen the entrance at the western end of the river?

Mr. EMMERSON. That was taken into consideration and a valuation made, but we find we can get on without it.

Mr. BELL. Am I to understand that no land was taken for the purpose of track laying?

Mr. EMMERSON. No.

Mr. BELL. Have the tenders been let for the construction of the station?

Mr. EMMERSON. They will be immediately.

Mr. BELL. What is the cost of the station house?

Mr. EMMERSON. About $90,000.

Mr. BELL. Will there be a covered platform?

Mr. EMMERSON. Yes.

Mr. WM. ROSS (Victoria). Finding that the Minister of Railways is a public benefactor, I want to appeal to him for a small siding in my county. There is a small village in my county, the village of Jamesville, where they gather a lot of pit timber for the mines, and they want a siding there so as to load the freight cars at that place. The whole expenditure would not amount to more than $500 or $1,000, and I hope the hon. minister will take that matter into his favourable consideration. I am a very modest man, and that is the only improvement I asked for in my county.

Mr. BELL.

Intercolonial Railway—Improvements at North Sydney, $25,000.

Mr. EMMERSON. Out of last year's vote of $33,000 we spent $8,000, which leaves $25,000 to be revoted.

Mr. BLAIN. How was the $8,000 expended?

Mr. EMMERSON. There was dredging and the extension of the freight sheds and improvements to the wharf, additional sidings, and work generally in connection with the proposed improvements.

Mr. R. L. BORDEN. I did not observe that the item of increased accommodation at Halifax had passed and intended to say a word or two with regard to it. When will that increased accommodation be provided, and to what does this item particularly relate?

Mr. EMMERSON. It relates to land for engine house and yard—some land on Cornwallis street. Also for some expenditure in connection with the proposed engine house and some improvements at the station. Then it includes the construction of a quay wall or crib wall, paved with stone, and for a wharf and freight shed—the whole to cost $229,500. We expended on that up to the 30th of June, 1904, $94,500, leaving $135,000 to be revoted. Reid & Archibald have the contract for the wharf and are going on with the work.

Mr. R. L. BORDEN. When is it to be completed under the contract?

Mr. EMMERSON. This fall. The chairman of the Board of Trade was here the other day in connection with the matter.

Mr. R. L. BORDEN. It is anticipated the work will be finished this autumn?

Mr. EMMERSON. Yes.

Mr. BLAIN. Is the construction of that freight shed at North Sydney, estimated to cost $5,000, to be done under contract after calling for tenders?

Mr. EMMERSON. That has not been let, but we propose to call for tenders.

Intercolonial Railway—Increased accommodation at Ste. Flavie, $83,000.

Mr. EMMERSON. This includes a revote of $70,000. Last year $95,000 was voted and only $25,000 expended up to the 30th of June, leaving $70,000 to be revoted. We are asking for a new vote for heating the engine house. That was not provided for in the original estimate, and we want piping for the engine also and good boilers. The total estimated cost is $13,000 which, added to the $70,000, makes $83,000.

Intercolonial Railway—Towards improving the ferry service, Straits of Canso, $45,000.

Mr. R. L. BORDEN. We should have some detailed information on this. We

have spent a great deal of money in improving that ferry service. How much has been put into the new steamer, and has it been found satisfactory ?

Mr. EMMERSON. I can assure my hon. friend that the steamer 'Scotia' has proved a most wonderful success and the approaches are working very satisfactorily indeed. The vote last year was $77,400. $32,400 is the expenditure down to the 30th of June, 1904, and we are asking a revote of $45,000. This item of $77,400 was to provide electric plant at Mulgrave and Point Tupper. By building an extension it is believed that the ice will be prevented entering and interfering with the entrance of the ferry to Point Tupper. This extension, it is believed, will divert the tidal current and the ice from the north, and the ice will be carried past the harbour instead of into it. It will also have the effect of reducing the current close to the entrance of the dock, which will make it easier for a steamer to enter. This crib work will have to resist heavy shocks from the ice, and it must be built especially strong. This, of course, requires shifting the piling, you have to complete the tracks, re-arrange them, and the whole is estimated to cost $77,400. The work done thus far has been very satisfactory. The crossing between Mulgrave and Point Tupper has been carried on throughout last winter very satisfactorily indeed, and is commonly commended by the travelling public.

Mr. R. L. BORDEN. If the service is so satisfactory as the minister states, why spend so much money on improving the approaches ?

Mr. EMMERSON. Because of the floating ice. Occasionally the ice, coming in from the north particularly, gets into the ferry slips with the result that it makes it difficult to handle the boat. We require some protection of that kind for the boat. While you may say perhaps that the floating ice did not make the crossing a failure, it interfered with it materially. It will be a great advantage to the crossing there to have this protection.

Mr. KENDALL. It is essential that this provision should be made. While the boat does her work most satisfactorily, still, very frequently when the floating ice is running there, the ice jams the boat into the dock, and it sometimes takes several minutes or several hours to get her out of the ice.

Mr. EMMERSON. The trouble, I am informed, is on the Cape Breton side entirely ; there is no trouble at Mulgrave. The situation of the slip or dock is at right angles to the current on the Cape Breton side, therefore it requires this protection.

Mr. R. L. BORDEN. Are these works which are now being constructed in addition to those which were first proposed ?

Mr. EMMERSON. Yes, to protect the docks from the floating ice which comes down from the north and is carried by the current to the Point Tupper side. The current does not carry the ice in to the Mulgrave side. therefore no such protection is necessary there.

Intercolonial Railway—Protection to Grand Narrows bridge, $70,000.

Mr. EMMERSON. This is a railway bridge on the line between Point Tupper and Sydney. It separates the two arms of the Bras d'Or lake. This is a draw bridge, and vessels pass through it carrying large quantities of marble and lime stone for the Sydney works. Barges also carry this material through this drawbridge. The current is so swift and it strikes the bridge at such a peculiar angle that it is with great danger not only to vessels but to the bridge itself that the passage is attempted. Now an attempt has been made to direct that current, and in order that the vessels may pass through there with safety not only to themselves but to the bridge, this became essential. Some men who have studied these matters were sent there with the engineers and they have suggested a remedy. It is proposed to have an extension of the crib 200 feet long, 24 feet wide at the top, 15 wide at the bottom and 72 feet high. The water is very deep there. It was at first suggested that we might have piling anchored at the bottom to serve as a buffer, but that was decided not to be feasible. It was felt that it would not answer the purpose, so this cribwork was decided upon, the whole cost of which is $79.556. There was an appropriation last year of $10,000, that leaves a balance to be voted this year of $70,000. I can only say from the study which I have given to this matter that it is absolutely necessary, it is an unavoidable expenditure if that bridge is to be utilized at all as a drawbridge, and it is in the interest of the railway as well as of the vessels navigating the Bras d'Or lake.

Mr. R. L. BORDEN. What is the object of directing the current under the drawbridge away from the pier ?

Mr. EMMERSON. So that the current will go through more directly. Instead of going at an angle and striking against the abutments of the bridge or striking the centre pier, we desire to direct and straighten that current as far as possible, so that vessels will go through with safety, without being carried against either the abutment on the one hand or the centre pier on the other.

Mr. BLAIN. Is the work let by tender ?

Mr. EMMERSON. It is let by tender. We are buying the timber by tender, and a contract will be advertised for shortly for the construction. We make them separate,

because we had to have a peculiar kind of timber. We had a bill of the material made out and tenders were asked for on that. The lumber is being put on the spot under this contract.

Mr. BLAIN. What is the estimated cost of the material and work ?

Mr. EMMERSON. Several lots were purchased from different parties. The lowest tender was accepted in all cases. The timber will cost about $35,000. The balance will be for construction and iron work.

At six o'clock, Committee took recess.

After Recess.

Committee resumed at eight o'clock.

The CHAIRMAN (Mr. Campbell). The item before the committee is :

Protection to Grand Narrows bridge, $70,000.

Mr. LENNOX. I was saying before the committee rose at six o'clock that the item last year was $10,000 and that the item this year is $70,000. It appears from the estimates that the $10,000 which was appropriated last year was expended. In itself it does not necessarily follow that because there was $10,000 last year we must not have seven times as much this year, but I call the attention of the hon. minister to the fact that it is somewhat surprising that there is this $70,000 of additional money asked, and I think I shall be able to convince the hon. minister that the committee last year had reason to believe that $10,000 was all that was needed for this purpose.

Mr. EMMERSON. I can explain to the hon. gentleman if he wishes the reason for the change. The $10,000 voted last year was the appropriation for carrying out a design which it was felt at that time would obviate the difficulty. That was to have what they call a cluster of piles driven in and loaded with stone. It was thought that that would be sufficient but when we got some experts there the matter was looked into more thoroughly during last fall and the early winter and they determined that that would not be sufficient and that any expenditure on that plan would be money thrown away. It was decided by the department, on the advice of these experts, to make a crib pier which would serve as a guide and at the same time direct the current straight through the passage way. The original design would have cost about $10,000, but in my judgment it would have been money thrown away and would not have served the purpose. Instead of throwing that money away the department changed the design and the work which they now propose to do will cost $70,000.

Mr. BLAIN. What proportion of the $10,000 was expended last year and how ?

Mr. EMMERSON. It was estimated that $10,000 would be expended up to June 30, 1904. That $10,000 was applied to the new work. I have explained that we asked for tenders for certain timber and that money has been applied on that.

Mr. BLAIN. Applied to the payment of the timber ?

Mr. EMMERSON. Yes, and also in connection with the experts. We got the services of these experts, and of course it was necessary to pay them ?

Mr. LENNOX. Do I understand from the hon. minister that there has been a contract let ?

Mr. EMMERSON. For the timber, and we are now about to ask for tenders for the work.

Mr. LENNOX. What is the nature of the work ?

Mr. EMMERSON. Cribwork filled with stone, sheathed with creosoted plank to protect it from the ravages of the worms.

Mr. LENNOX. Will $70,000 be the full amount of the contract or $80,000 ?

Mr. EMMERSON. My hon. friend wants to know the total cost of the work ?

Mr. LENNOX. Yes.

Mr. EMMERSON. The total cost of the new design is $89,475.

Mr. SAM. HUGHES. Is that a tidal bridge ?

Mr. EMMERSON. Yes, in tidal water. I am mistaken as to the amount. We only ask $70,000 by this vote. The total estimated cost of the works at Grand Narrows is put down at $89,475. That includes work already done. There was some work done in 1901 and in 1902, and taking the whole——

Mr. BLAIN. Perhaps the hon. minister would give the amount expended in 1901, 1902 and 1903 ?

Mr. EMMERSON. There was some amount expended in 1897, but that was only $25.73 for preliminary surveys. There was expended in 1901 $4,576.48 and in 1902 $4,872.79. Of course Grand Narrows is a station. These items I have just read are not expenditures made on this particular cribwork, but they are made in connection with the Grand Narrows station, and the general manager said that he furnished this information because we usually asked what had been the general expenditure made under that head.

Mr. ARMSTRONG. Is this masonry work ?

Mr. EMMERSON. No.

Mr. LENNOX. There are one or two things that we want clearly understood be-

fore we leave this item. The $70,000 that the hon. minister is asking now is to be added to the $10,000 vote of last year making $80,000—is that right ?

Mr. EMMERSON. To be exact in figures the estimate before me is $79,556.95 for the proposed cribwork which is to be a guard pier and a current breaking pier. The $10,000 voted last year has been applied on that, and if you deduct the $10,000 it would leave $69,556.95. We ask this year for a total vote of $70,000 assuming that the contingencies may possibly be short.

Mr. LENNOX. It is hoped that the $70,000 we now vote will complete the work.

Mr. EMMERSON. It overlaps it by a few hundred dollars, and we hope to keep it within that figure.

Mr. LENNOX. The $10,000 is already expended ?

Mr. EMMERSON. In the purchase of timber and in securing the services of experts.

Mr. LENNOX. And upon the new scheme; the old scheme being entirely abandoned ?

Mr. EMMERSON. Wiped out entirely.

Mr. LENNOX. In my opinion the Minister of Railways has not pursued a constitutional course in this matter. We voted $10,000 last year for a specific purpose, the object of which was explained to us. It was said that this $10,000 would complete the object, and the committee was pledged last year to a total expenditure of $10,000, whereas now we are pledged to a total expenditure of $80,000, and the $10,000 voted last year has been appropriated, without authority I believe, to this new scheme. I do not question the wisdom of the new scheme, but I say that there was no authority to apply the $10,000 to that purpose without coming to parliament again. It is for the minister to say whether there is any explanation required.

Mr. EMMERSON. I have earned a very good reputation for not speaking too much and I would not wish to destroy it by going to the other extreme ; but if the committee will pardon me I will explain. This bridging of the Grand Narrows, the connecting link of northern and western portion of Cape Breton with the southern and eastern portion is a very important matter. If anything happened to that swing or drawbridge, the whole traffic of the Sydneys would be interrupted. Protests were made against the old plan by the business interests of Sydney who represented that if that cluster of piles were put down there would be danger not only to the vessels but to the bridge as well, because, should the currents swing these vessels against the draw there would be a complete interruption of traffic. As the responsible head of the department I did not think that any risk should be taken and as this $10,000 was entrusted to the Department of Railways to overcome the difficulties at that point, and without there being any plan or specification for carrying on a particular work, I do not think parliament would wish that the old design should be carried out, if it were found that it should not accomplish the good intended. No advantage has been taken of parliament by the action of the Railway Department, because the money was voted for the purpose of removing the difficulty and danger at that point, and it has been devoted to that purpose. That was the whole object that parliament had in voting that money. It is true that the department thought that the $10,000 would be sufficient, but upon investigation it was found that it was inadequate.

Mr. BLAIN. That is all very well, but is it not rather misleading the committee ? The minister says that upon examination it was found that the expenditure of the $10,000 would not be sufficient. I do not know that any member of the committee would complain that a larger expenditure was found to be necessary to accommodate the trade of that place, but we do complain that when it was represented that this $10,000 would be sufficient, the minister appropriated it to part of an expenditure that will run up to $79,000, and he did that without consulting parliament. Then after the contracts are let, the timber purchased, and the $10,000 paid out, the minister makes the statement that he has changed the plan without consulting parliament. Are we to understand that is the policy the hon. gentleman proposes to pursue ?

Mr. EMMERSON. The money is voted for a specific purpose and is applied to a specific purpose. We have, it is true, entered into contracts, because if we had not done so, we would have been unable to get the timber after parliament had met and voted the money. It was necessary to let these contracts during the winter months, so that the country would get the advantage of the least cost in securing the material. There must be some discretionary power left to the Department of Railways in regard to a government owned and government operated railway. If not, that is one of the strongest arguments that could be used against government ownership. If we could not exercise some discretion and do work when it is essential to the safety of the road and the traffic, or to prevent a paralysis of business, I am sure it would be impossible to meet the requirements of the country.

Mr. MORIN. If I remember rightly, before recess the minister said he had bought the timber for that sheer wharf or pier for $35,000.

Mr. EMMERSON. We have entered into contracts to that amount.

Mr. MORIN. Will the minister be kind enough to tell the committee how much he pays for the timber per thousand, board measure or cubic measure or lineal measure ?

Mr. EMMERSON. I will obtain that information.

Mr. MORIN. What kind of timber do you propose to use ?

Mr. EMMERSON. Some creosoted timber, some spruce and some hemlock under water. According to the estimate of the engineer, we require 417,000 feet, board measure, of 10-inch by 10-inch hemlock timber; 104,000 feet of spruce or hemlock logs; 10,500 lineal feet of ballast poles; 140,000 feet, board measure, of 2-inch creosoted sheathing; 14,600 cubic yards of stone ballast; 3 piles of 3-inch creosoted piling on the Sidney side 280 feet long in water from 25 to 50 feet deep, 120,000 feet of 3-inch by 12-inch creosoted sheet piling; together with the labour and the screw bolts, spikes and drift bolts, all making up the sum total of $29,000.

Mr. MORIN. Will the minister say whether the timber is hewn or sawn ?

Mr. EMMERSON. Some is purchased as square timber and some as round, and it is so used. It is bought in the proper lengths and furnished, according to the dimensions required, ready to be put in the work.

Mr. MORIN. Is the square timber hewn or sawn ?

Mr. EMMERSON. It is sawn dimension timber. The surface face is square. On the inside the timbers are round.

Mr. MORIN. The part that is to be under water may be sawn, but the part that is to be above water should be hewn.

Mr. SPROULE. The hon. minister has not told us what he paid for the timber.

Mr. EMMERSON. For the square timber we paid $14 per thousand feet board measure. For the creosoted timber $43, for the poles 2½ cents per lineal foot, and for the other timber, 6, 7 and 8 cents per lineal foot, according to dimensions.

Mr. MORIN. What kind of timber did you pay $43 per thousand feet for ?

Mr. EMMERSON. The creosoted pine. We have to get it from Norfolk, Virginia. It is two inches thick and some is three by twelve besides the sheath piling.

Mr. MORIN. Where did you get the hemlock and spruce ?

Mr. EMMERSON. From Nova Scotia all along the line and some from Cape Breton. There was a general call for tenders posted up at every station.

Mr. LENNOX. In view of the exceptional circumstances, I think that we should have all the papers connected with this item before us before we pass this vote. Has any of the work beyond the collecting of the material been actually done ?

Mr. EMMERSON. No, we are waiting for the vote.

Mr. KENDALL. I need only explain the urgency of the matter to convince the House that the minister did perfectly right. The Grand Narrows is a very deep neck of water. The water is from 58 to 75 feet deep in this locality and nearly half a mile wide. The Dominion Iron and Steel Company's large steamers, some which carry 3,000 tons of freight, go to the westward of this bridge, and one of them, two years ago, heavily laden, was caught with the tide, when coming down, swung against the boom and seriously damaged.

Mr. SAM. HUGHES. What is the object of this pier ?

Mr. KENDALL. My predecessor, Mr. McDougall, again and again reported to the engineers, when the railway was built, that the draw should not have been put in the place it was, because, owing to the formation of the land, there is a strong four knot tide right across the channel, so that steamers coming down are liable to be driven diagonally across stream. A steamer laden with 3,000 tons struck against the pier and the pier was very considerably damaged.

Mr. SAM. HUGHES. Was the captain a St. Lawrence pilot ?

Mr. KENDALL. No pilot could command a steamer when she gets into the current there. My colleague and I made representations to the government two years ago, but we were overruled and an arrangement was made to expend $10,000. The authorities found shortly afterwards that that would not meet the requirements, and I just wish to point out the importance of the department acting without delay. To the east side of the county of Cape Breton there are some 70,000 people and some $50,000,000 invested in coal and iron mines, which produce some 4,000,000 to 5,000,000 tons of coal per year. If that pier gave way, the whole traffic with the southern part of the county would be cut off, and Mr. Johnston and I urged the government to have the matter attended to at once so that the danger resulting from delay would be reduced to a minimum.

Mr. SAM. HUGHES. What relation would this pier bear to the one the steamer struck against ?

Mr. EMMERSON. It would be a continuation of it.

Mr. MONK. If the government has waited so long before beginning the work, it cannot do any harm to wait long enough to give parliament the opportunity of voting intelligently on the item.

Mr. EMMERSON. If my hon. friends have not sufficient knowledge, we will go on with some other item and there is no use taking up time dwelling on this any longer.

Mr. MONK. I am very glad to see that the minister takes that view, because it seems to me that the demand of my hon. friend is a most reasonable one.

Mr. EMMERSON. Without expressing any opinion on that subject I shall defer to the request.

Mr. MONK. Since the minister comments on the reasonableness of my hon. friend's request, I may say that for my own part there is not one of these items upon which it seems to me we should not have had ready for us twenty times the information that my colleagues have succeeded in extracting after extraordinary efforts of patience and perseverance. I do not apply that remark particularly to my hon. friend (Mr. Emmerson). I admit that his is a difficult department and that those items were of some difficulty, but I will say this on behalf of those whose duty it is to criticise and to inquire into the reasonableness of these votes that if we had the full information at our command which any business man would demand before authorizing an expenditure aggregating $3,000,000 it would greatly facilitate the work of this House. Here is an urgent item for repairs for which we voted last year $10,000 on the assurance that that would complete the work. But what do we find ? It was found insufficient. Representations were made to the minister by people who knew something of the locality and if the minister believed that these works required to be hurried as was stated by the hon. member for Cape Breton, the law indicates a way to provide for cases of that kind. The minister had only to conform himself to the formalities of the statute. He might have obtained a special warrant and not have put us in the position we are in to-day, but he went ahead without the authority of parliament, without any authority whatever, and contrary to the law in urgent cases, purchased this large amount of wood and to-day, instead of dealing with a work which we sanctioned last year, costing $10,000, we are called upon to spend an amount immediately of $70,000 which I have no hesitation in saying, from what experience I have had and from what the hon. gentleman who preceded me has stated, will cost a good deal more than $70,000 and when one of us, deprived of every information to which we are entitled on a job of that magnitude asks for fuller information and for a delay of a few hours in order that parliament may be able to exercise its right to intelligently control these expenses, the minister, who has been treated with a great deal of leniency in regard to his estimates, flippantly remarks that he would rather not be called upon to express an opinion as to the reasonableness of that request.

Intercolonial Railway—Semaphores at stations, $2,500.

Mr. EMMERSON. This provides for eleven mechanical semaphores and for two electric—magneto semaphores at two stations, one at Trenton and one at Oxford Junction. The two electric—magneto semaphores cost $400 each, that is $800, and the eleven mechanical semaphores cost $450 each, which makes $1,650, altogether $2,540, which, with $50 added in connection with placing them, makes a total of $2,500.

Mr. LENNOX. I would like the minister to explain how it comes that these semaphores are charged to capital account. On an old established road, they must be very much in the same position as a new door or window in a building, simply a matter of ordinary, every day repair.

Mr. EMMERSON. These are semaphores at stations at which there were no semaphores before. There had not been any semaphores at Oxford Junction and it is proposed, because of the situation of that station, at the junction between the two lines, that an electric-magneto semaphore should be placed there and that one should also be placed at Trenton which is at the junction with the Iron Works Railway.

Mr. BLAIN. Is this the introduction to a large expenditure in connection with semaphores, or would the minister say that this will be the total amount required for some years to come in connection with semaphores ?

Mr. EMMERSON. These are all we propose now and all that are now required. As new stations are established and sidings put in at these stations, and they become of some importance, it may be that in the future we will have to put in one or more a year.

Mr. LENNOX. These are not put in at new stations.

Mr. EMMERSON. These are stations which have not before had semaphores. They were not of sufficient importance to require them but we have found it necessary to put them in now.

Mr. LENNOX. Are there stations where there are sidings at which there are no semaphores ?

Mr. EMMERSON. No ; these semaphores are not switch lights.

Prince Edward Island Railway—to increase accommodation at Kensington, $4,000.

Mr. HACKETT. Is it the intention of the government to build a new station there ?

Mr. EMMERSON. Yes ; a new station and freight sheds.

Mr. HACKETT. Of what material will the station be built ?

Mr. EMMERSON. According to the general style of stations on the Intercolonial—of wood.

Mr. HACKETT. Has a contract been let for building that station ?

Mr. EMMERSON. No ; we have not yet called for tenders, but we propose to do so at once after this vote is passed.

Mr. HACKETT. Kensington is a very important station on the line of the Prince Edward Island Railway, and there should be no delay in building a new station. The old station is in a very dilapidated condition, and is looked upon as not being up-to-date. I would now urge upon the minister to make no delay in calling for tenders and building an up-to-date station there.

Mr. EMMERSON. I can assure my hon. friend that is what we intend to do, and do it promptly.

Mr. BLAIN. There was $1,000 voted last year ?

Mr. EMMERSON. There is a small station there, and it was thought that we might extend it ; but in consequence of the protest we received from the people who are interested in it and of the recognized importance of the place, we concluded to give them a new station. We therefore revote that $1,000 and add an additional $3,000 to it. That will furnish them with a new station and freight yard.

Mr. SPROULE. Will this complete the station ?

Mr. EMMERSON. We expect this will cover all the necessary cost in connection with that station.

Mr. SPROULE. Is this vote based upon the estimate of some competent engineer ?

Mr. EMMERSON. Yes ; this is from the engineer's department, on an estimate of what is required. It will be let by contract.

Prince Edward Island Railway—To straighten the line at Curtis Creek, $21,500.

Mr. HACKETT. What has been done in connection with straightening the line on the Island Railway ?

Mr. EMMERSON. Six tenders were called for, and the lowest was accepted.

Mr. BELL. What is the length of the new line ?

Mr. EMMERSON. It is not a new line, it is straightening out curves, and involves a little over 1·07 miles of track laying.

Mr. BELL. Is that going to cost $36,000?

Mr. EMMERSON. The total cost is supposed to be $42,851.

Mr. BELL. That is a very expensive work.

Mr. EMMERSON. It is a very bad cutting, the curve is a dangerous one, and in its present condition it has been a great receptacle for snow. We will have to widen it out.

Mr. BELL. You speak of straightening the line. What distance is saved ?

Mr. EMMERSON. On the present line there is a six-degree curve and a five-degree curve. It is proposed to build a line 5,300 feet long to cut these curves out. The new line will be straight. On the present line there is a bridge on one of these curves consisting of three spans 28 feet long. On the new line a culvert will be substituted. The grade on the present line is 1·26, and it will be the same on the proposed line. The new line will be 3,090 feet shorter than the existing line, and there will be no curves. There is now a double curve, and a very bad one.

Mr. HACKETT. Who is the contractor for the work ?

Mr. EMMERSON. The lowest tenderer was Mr. Henry Kitchen.

Mr. HACKETT. Did Mr. Kavanagh, of Charlottetown, tender for the work ?

Mr. EMMERSON. I think he did.

Mr. HACKETT. What is the difference between the tender of Mr. Kitchen and that of Mr. Kavanagh ?

Mr. EMMERSON. I do not remember the exact figure. There was considerable difference, so much so that I was constrained to give it to Mr. Kitchen, although he is not the local man. Sometimes, when they are nearly equal, one feels disposed to give it to the local man, but in this instance the discrepancy was so great that I was obliged to accept the other.

Mr. SPROULE. Will this complete ?

Mr. EMMERSON. This is the estimate given by the department, $42,851. There are some credits to come off. There is a credit of $6,350 for certain iron work, and there are girders and rails on the existing line that may amount to $36,000. The $15,000 we voted last year taken from that leaves a balance of about $21,500.

Mr. SPROULE. The minister says he had two tenders.

Mr. EMMERSON. I think there were more than two. There were four or five. But that was the lowest.

Mr. SPROULE. This was for timber work as well ?

Mr. EMMERSON. No timber work.

Mr. SPROULE. No timber work at all ?

Mr. EMMERSON. No timber work at all.

Mr. HACKETT. Is the Westinghouse brake to be applied to all trains on the Prince Edward Island railway ?

Mr. EMMERSON. As my hon. friend will see there is an item for that purpose and we are putting them on as fast as the finances will permit.

Prince Edward Island Railway—To apply Westinghouse air brakes and air signals, $35,500.

Mr. EMMERSON. The amount asked for this year is $35,500. This amount is to equip locomotives and cars with the Westinghouse air brake. The passenger cars are at present equipped with the vacuum brake ? This system has gone out of use elsewhere. It has not the power of the compressed air break in retarding the progress or stopping a train and it has only an atmospheric pressure of 15 pounds to the square inch, while the air brake has a pressure of from 60 to 80 pounds to the square inch. The expenditure for 25 locomotives at $534 each $13,350, for six passenger cars at $140.50 each $8,507 and for freight cars, 413 at $85 each, $35,105. The total estimated cost is $57,025. The appropriation over the estimated expenditure for 1903-4 was $21,600. That leaves to be voted at this session $35,500. It will really be $35,425, but these are estimated amounts and I therefore make it in round figures.

Mr. BELL. Will that equip the whole of the service ?

Mr. EMMERSON. That will equip the whole of the service.

Mr. SPROULE. Is this done by contract or day labour ?

Mr. EMMERSON. The air brakes are purchased from the Westinghouse Company of Hamilton, Ontario, at their fixed, standard price. They are taken to the island and there put on the cars by the workmen in the machine shop connected with the Prince Edward Island railway.

Mr. SPROULE. What do you pay for the air brakes ?

Mr. EMMERSON. Of course these items include the cost to apply. The cost of equipping a locomotive is $534, and a freight car is $85.

Mr. SPROULE. What do you pay for the air brake ?

Mr. EMMERSON. I have not the figures as to what they charge, but I will furnish them to my hon. friend. The price can be ascertained from the bills that have been received. It is the standard price that is paid by all companies. This is a patent and it is not a matter in which there is any competition.

Mr. SPROULE. I take it there will be no competition in it because the company which hold the patent will necessarily have the only authority to sell this article and they will sell at their own price, but a statement of the price will enable us to ascertain whether we are paying more than the price which is paid by an ordinary railway company.

Mr. EMMERSON. I think we pay the standard price which is paid by other roads. I will furnish my hon. friend with that information.

Mr. SPROULE. There are several appliances for the safety of the employees of the road to put on freight and passenger cars nowadays. I would ask the hon. minister if the government have considered the advisability of equipping the Intercolonial Railway the same as the best roads owned by private corporations are being equipped to-day for the safety of the employees ?

Mr. EMMERSON. The general manager says they have on the Intercolonial railway all the appliances for the safety of the employees that are in general use on railways in Canada.

Mr. SPROULE. Automatic couplers, side ladders and all that ?

Mr. EMMERSON. Yes.

Mr. WILSON. I presume you buy these air brakes ready to attach to the cars. I was going to ask the hon. gentleman how much he figured as the cost of attaching the air brake to the car.

Mr. EMMERSON. We buy the break complete with the exception that it has to be applied to the car and we pay all the cost of that, the necessary labour, piping and also the freight from the works at Hamilton.

Mr. WILSON. The hon. minister in estimating what this will cost surely must take into account what it will cost to attach the air brake to the car when he gets it. He has men in the shop attaching the air brake to the car, and if so, does he pay the same as a contractor would ?

Mr. EMMERSON. For a locomotive the whole cost is $534, and for a passenger car it costs $140.50 complete.

Mr. WILSON. You ought to be able to divide that up.

Mr. EMMERSON. And for a freight car $85. This is only a question as to the invoice price we pay. I have not that information, but I have promised to bring before the committee to-morrow or at the next meeting when we have the railway estimates under consideration, that return.

Mr. WILSON. I understand that the minister promises to bring down a detailed statement of the cost of the whole thing ?

Mr. EMMERSON. Yes.

Mr. WILSON. That will be satisfactory.

Mr. SAM. HUGHES. Are the engines on the Prince Edward Island Railway fitted with the air brake ?

Mr. EMMERSON. This includes a vote for that purpose.

Prince Edward Island Railway—To increase accommodation at Charlottetown, $85,000.

Mr. HACKETT. What is the nature of the increased accommodation at Charlottetown ?

Mr. EMMERSON. For this purpose $87,000 was voted last year, and $2,000 of that was expended up to the 30th of June. The details were given last year, but if the committee wish I will repeat them.

Mr. LENNOX. It was not very fully explained last year.

Mr. EMMERSON. The following is the estimate : New station and covered platform, $55,000 ; additional freight shed accommodation, $5,000; additional land, $4,000.

Mr. WILSON. How much land ?

Mr. EMMERSON. We have not purchased it yet, but it is estimated that we can get the land for $4,000.

Mr. HACKETT. Has the minister decided upon the land which will be purchased at Charlottetown ?

Mr. EMMERSON. There are as usual differences of opinion as to what site should be selected, and I have not had the privilege of going there personally to form my own opinion.

Mr. HACKETT. Come over and see us ?

Mr. EMMERSON. I would like to, but I suppose I would have difficulty in satisfying all the opinions that might be expressed.

Mr. WILSON. The minister ought to know how much land he wants ?

Mr. EMMERSON. It is not exactly determined how much land we should want, but I would rather not state the exact quantity because if we were to make any detailed statement as to that it might affect the financial situation as regards the price. There are two or three points where the station might be located and the officers think that $4,000 will purchase sufficient land.

Mr. WILSON. The minister ought to have some ideas as to the size of the station building ; he ought to know whether or not he will erect it on the site of the present station.

Mr. LANCASTER. The minister had better come out of the clouds and land on the earth, and tell us how much land he wants for this station. He asks $4,000 for this land and he coolly tells the committee that he does not know what it is for. Perhaps he does not want any land at all ; perhaps he will build the new station on the site of the old. The minister should give us some reasons for wanting this $4,000, or 4,000 cents for that matter. I confess that I do not think the hon. gentleman is dealing seriously with the committee. Time and again we have asked to-night for information, and we have been told that when the minister gets the money he will come to some conclusion later on. That is a pretty cool fashion in which to ask us to vote the people's money. I protest against the principle of this thing ; the minister is not on the land ; he is in the clouds.

Mr. EMMERSON. This is not a celestial railway.

Mr. LANCASTER. It won't be a terrestrial railway either unless the minister gets down to the earth, where he can tell us something that is not misty and mistic. These estimates have been treated all day as if they were a huge joke. Why should we be asked to vote $4,000 or 4,000 cents or one cent for that matter, until the minister has made up his mind as to where he is going to spend it and how he is going to spend it? This committee should know something of the circumstances surrounding the money they are asked to vote away for this purpose ; and until the minister makes up his mind, with the assistance of his officers, that he does want some amount, I for one think this item ought not to pass at all.

Mr. HACKETT. I would like to ask the minister if he is in negotiation with the owners of the land at the foot of Great George street for the purchase of their rights for a site for this station ?

Mr. EMMERSON. We have obtained prices on lands there. It is supposed that we shall require, in connection with the new station, between an acre and an acre and a half of land, and it has been estimated by the officers of the department that it should not cost more than $4,000. The total vote of last year was $87,000. That was under the same estimate as exists to-day. There was $11,000 for additional siding and the re-arrangement of the yard, $8,000 for additional wharf accommodation and dredging, and $4,000 for engineering and inspection. I cannot give anything more definite than that. The work has not been gone on with. I shall expect, in company with the officials, to visit the locality and determine finally the exact location of the proposed station. It is impossible to say at present just where it will be. It would not be wise, perhaps, even if I knew it. The point is that additional accommodation is required, and we propose to go on with the work if parliament votes the money.

Mr. WILSON. I gather from what the minister says that he intends to move the station to some other part of the city ; he has not told us why. He has not told us that he cannot get sufficient ground where the station is located now, or what he intends to do with the old station. If there is to be a new station built, especially in some other part of the city, we ought to have some reason for it.

Mr. EMMERSON. I have not said that the station is to be moved. In fact, I am frank enough to say that I have not been called upon to determine the question at

all. If I am, and when I am, it is my purpose to endeavour to determine it in the public interest, and having regard to the trade interests of the island and the city of Charlottetown.

Mr. WILSON. Will the hon. minister tell us what is the matter with the present station ? Why is it that he wants more accommodation ? Is it for freight or passenger traffic ?

Mr. EMMERSON. It is for all departments. As I am informed, the present station is entirely inadequate to the business requirements of Prince Edward Island and the city of Charlottetown.

Mr. WILSON. Is there any difficulty in getting land where the station is now ?

Mr. EMMERSON. It must be borne in mind that the general offices of the Prince Edward Island Railway are in the old building, and they require to be re-arranged to afford additional room and greater convenience. More yard room and more siding room are also required. This vote covers all these conveniences.

Mr. WILSON. The hon. minister has not told us whether or not he could get the land there.

Mr. HASZARD. As I know all about the situation in Charlottetown, I may say that the present station is altogether unsuited to the requirements of railway business, and at the same time it is placed on about the only piece of soft land that can be found in that part of the city. A few years ago the land about the present station had to be built up to such an extent that it was claimed that the water was turned on the other side of the street to such an extent that an action for damages was threatened against the Railway Department, and the department has since been threatened time and again. There is no doubt that the present site of the station is not at all suitable and will not be acceptable to the people. The difference between the Railway Department and the people of Charlottetown, so far as I can understand, is this. The railway authorities think they can utilize some of the land at present owned by the government and used as a railway yard. The people of the city feel that the station should be carried further west and built on high, dry land; and the reason why this matter has been delayed the last two or three years is because they cannot agree among themselves as to where the station should be built. As the hon. member for West Prince has said, they consider that at the foot of George street is the most suitable and acceptable, but for some reason or other the engineers claim that there are engineering difficulties in the way. I myself applied to the department about two months ago for a report on that site, but although I have been calling on the department a great many times since, I have not yet succeeded in getting it. I would like to have some assurance from the minister that the report will be furnished without delay.

Mr. WILSON. Have they got it in the department ?

Mr. HASZARD. I understand that they are preparing it. There is just this difficulty that the people have not been willing to accept the site which the Railway Department are desirous of using. If that site should be used, the Railway Department would require to buy a little more land in order to have sufficient room for the present works and the new station.

Mr. LANCASTER. The hon. gentleman who has just taken his seat says that the people of Charlottetown are not willing to accept some particular site. I do not understand what the people have to do with it in the sense he indicates. The people of the whole Dominion are called on to furnish a lot of money for some very indefinite, vague proposition, and it appears that the people of Charlottetown are in controversy with the government as to where the government should build the station. But if the government are able to run the railway, they ought to be able to decide where the station should be built, and take the responsibility of a decision without entering into any controversy with the people of Charlottetown. Until the government know where the station is to be built, they should not ask this House to allot an indefinite sum for the purchase of land that may or may not be required. The hon. minister has told us that he has given the House most definite information. But all he has told us is that certain sums are asked for to do certain things and certain other sums are asked for to do certain other things, but he does not say that any one of the sums asked for will be required to do any certain thing. He wants us to vote $4,000 for the purpose of buying land which may after all not be required. Three years ago, when I was in the city of Charlottetown I went to Summerside from the station in question, and unless the city has been built up very much in the neighbourhood of that station within the last three years, there should not be any difficulty in getting land there. It seemed to me that the station was on the outskirts of the city and that here was any amount of vacant land to be had in that locality at a very moderate price. I do not think the Minister of Railways ought to have a member like myself, from the Niagara district of Ontario, telling him about the condition of things in Charlottetown, nor do I think that he ought to have another member from Charlottetown giving him information. It is he who ought to give this House the information and who ought to be in a position to tell this House definitely what he proposes to do with the money and not leave us in doubt as to whether he will use the money or not. I could understand his tell-

ing us that he did not wish to make public the exact site he intended purchasing and the quantity of land he required, because that might give an opportunity to the owners of the land to hold the government up for an unreasonable price. But he does not say that. He will not say even that he wants the land at all and therefore I do not see why we should vote the money before the minister is in a position to tell us that the government have come to a decision, and actually shall require the amount they ask us to vote.

Mr. HACKETT. I desire to say, before the item is adopted—because there appears to be no disposition on the part of any hon. gentleman to pass this item——

Mr. LANCASTER. If we can get the information.

Mr. HACKETT. If we can get the information from the minister. The railway station at Charlottetown is really a disgrace to the Dominion. It is nothing but an old wooden shed which was built some thirty years ago. Whether the site is a proper one or not for a railway station is another question, but I believe that if the minister could secure land at the foot of Great George Street, below the Davies Hotel, that would be most convenient to the people, and I trust some action will be taken shortly in this connection. The hon. minister spoke about the land near the present railway station. Might I ask him if any action has been taken with regard to reclaiming the land within the past year, which is now covered by water ?

Mr. WILSON. I would like the minister to account for that $2,000 ?

Mr. EMMERSON. That amount of $2,000 was the estimate made in February last of the probable expenditure up to June 30. I have not the details of it, but I shall furnish them to-morrow.

Mr. HACKETT. I would like to ask the minister about the reclamation of land at Charlottetown. For the last 30 years no one has thought of reclaiming that piece of land but just previous to the by-election of last winter, a number of men were placed on that work to fill up the hole with brush and stone in order to reclaim it. I would ask why the necessity arose ?

Mr. EMMERSON. It was done with a view to making a yard there. This place required to be filled up with a lot of brush and during the winter season orders were given, some time before, to have the brush furnished. It could be done more cheaply if the brush was hauled on the snow and some stone piled on it. I think it was only a coincidence that there was an election ; I cannot be responsible for these coincidences.

Mr. HACKETT. The election was a coincidence in the first place and this came as a matter of business on the part of the government, and my hon. friend from Charlottetown (Mr. Haszard), for whom I have the greatest respect, received a large number of votes because the work was done at that time.

Mr. EMMERSON. Surely not, surely not. I would not expect that from the people of Prince Edward Island.

Mr. HACKETT. The people of Prince Edward Island are like the people of every other province, they do the best they can. I would like to ask the minister what wages were paid those men employed on that work?

Mr. EMMERSON. They were paid so much a load. My hon. friend knows that that brush had to be hauled across the harbour while it was covered with ice, and the people were paid so much a load for the brush and stone. It was not a question of labour ; it was a question of assembling a lot of brush and stone and filling in those places where filling was necessary.

Mr. HACKETT. After 30 years, on the eve of a by-election, the government found it necessary to fill up this hole as the minister calls it—and it is a hole. They are in a hole in regard to it. A number of labourers must have been employed who were not engaged in hauling the brush. If he looks over the statement sent in by his officers he will see that a number of men were employed at one dollar a day who were not hauling the brush. I see the minister yesterday took great credit to himself for doing so much for the labouring men of Canada. He said :

> Then also, in 1900 the labourers along the Intercolonial Railway were getting $1.10 to $1.15. I do not here refer to trackmen, because to some extent at least you would refer to them as skilled workmen ; I am now referring to labourers who would not be recognized in any way as requiring any skill in the performance of their labour other than strength and health and physique. These men in the year 1900 received an increase from $1.10 to $1.20 and since that time, during the current year they received a further increase to $1.30 and in many instances to $1.40 a day.

Now I would like to ask the minister if the men of Prince Edward Island who are engaged on this work have not the strength, the physique and the appearance of any men employed on the Intercolonial, and why are they not entitled to $1.25 or $1.30 a day? Having placed these men on that work at $1 a day, as he will find in his reports and as he stated in this House in answer to a question, he will simply be doing an injustice to the men of Prince Edward Island if he does not increase their wages to $1.25 per day.

Mr. EMMERSON. I will say to my hon. friend that the regular employees along the line of the Prince Edward Island Railway, the trackmen and the section foremen, are paid by the same schedule as are the men on the Intercolonial. I am not aware of the amount paid last winter for the particular

work to which the hon. gentleman referred but if they were paid at that rate, it was because they worked very short hours. the teams employed in hauling the stuff were only employed during the winter days, and the men necessarily did not work a full day. They were only paid in accordance with the work they were performing.

Mr. HACKETT. Why was it necessary to fill in this hole at that particular time ?

Mr. EMMERSON. This stuff had to be hauled across the harbour or river, it had to be hauled before the ice broke up, and this place had to be filled up.

Mr. HACKETT. We have had winters for the past thirty years and we have had ice, and certainly if this hole required to be filled up it could have been done any time within the past thirty years. But the minister is more enterprising apparently than the ministers who have gone before him. Now this little place at Charlottetown is well known to everybody.

Mr. EMMERSON. That little place was only recently purchased.

Mr. HACKETT. It has been in the hands of the government for the past thirty years, as their property.

Mr. EMMERSON. That is the local government.

Mr. HACKETT. No, the federal government.

Mr. EMMERSON. I am informed that this property only recently became the property of the railway, within a very few months, and that previously it was owned by the provincial government of Prince Edward Island. The railway had nothing whatever to do with it. The work required to be done during the winter months, but the summer came on before the ice broke up, and the department found it necessary to commence this work immediately. The fact that an election was coming on was not a sufficient reason for delaying the work.

Mr. HACKETT. I know all about this business. That little corner between the railway and the gas house at Charlottetown has been overflowed with water for the last thirty years. It is the property of the federal government, and every year the sleepers bought by this government for the purpose of the track on the Island railway were thrown in there to be saturated with salt water in order that they might last longer. The hon. gentleman will find out that this is correct if he will consult his general manager who is beside him.

Mr. EMMERSON. I get my information from him.

Mr. HACKETT. I know all about it. On the eve of a by-election in March last, it was found necessary to close up this place to throw brush and stones into it in order that a certain number of people in Charlottetown might be employed in government work, and that their votes might be thus controlled by the government.

Mr. EMMERSON. If it was only brush and stone, it was not dust thrown in their eyes.

Mr. HACKETT. No, it was not dust, it was snow and ice. Surely the minister will understand that after this hole had remained there for thirty years there was no other reason for filling it up but the fact of a by-election coming on so that the government could control a few voters.

Prince Edward Island Railway—To enlarge freight shed at Breadalbane, $500.

Mr. EMMERSON. The requirements of this place call for a much larger freight shed. $500 is the total estimated cost.

Prince Edward Island Railway—To fit up locomotives and passenger cars for steam heating-$14,500.

Mr. EMMERSON. We require to fit up 27 locomotives for steam heating at a cost of $75 each, and 61 passenger cars at a cost of $200 each. The total estimated cost is $14,225.

Mr. BLAIN. How are these cars heated now ?

Mr. EMMERSON. With an ordinary stove. This vote will heat all the passenger cars. It is proposed to appropriate the whole amount this year, and we expect the work will be finished during the fiscal year.

Mr. BLAIN. Is it done by tender ?

Mr. EMMERSON. It is done by mechanics in the repair shops.

Mr. HACKETT. Are there any cars at present heated by steam from the engine in Prince Edward Island ?

Mr. EMMERSON. Not on the Island.

Prince Edward Island Railway—To apply M. C. B. couplers to rolling stock, $26,500.

Mr. EMMERSON. This is to apply the standard coupler to the rolling stock. We propose to apply it to 22 locomotives at a cost of $25 each, to 61 passenger cars at a cost of $70 each, and to 413 freight cars at a cost of $50 each.

Mr. SAM. HUGHES. For a coupler ?

Mr. EMMERSON. For a coupler.

Mr. SAM. HUGHES. How many are there on the Intercolonial Railway not equipped with the coupler ?

Mr. EMMERSON. There are none on the Intercolonial Railway.

Mr. SAM. HUGHES. Are all on the Intercolonial Railway equipped with a coupler ?

Mr. EMMERSON. Almost all have been equipped. There is a vote in the estimates now for the purpose. Ten snow ploughs, $50 each, and flangers, $50 each, making the sum total required $26,500.

Prince Edward Island Railway—Murray Harobur branch and Hillsboro bridge, $650,000.

Mr. HACKETT. Would the hon. gentleman explain this ?

Mr. EMMERSON. Last year there was a vote of $1,230,000. Of that down to June 30, 1904, it is estimated that the expenditure was $580,000. That leaves $650,000 to be revoted. The matter was very fully discussed at the last session of parliament. I can go into the details again if the members of the committee wish.

Mr. MONK. I would like to know how far the work has progressed, what remains to be done, and if this will finish it ? I remember the discussion that took place last year.

Mr. EMMERSON. The work is under construction now. It is expected it will be completed early this fall. I think the time for the completion of the work is December 30. The construction is going on, and I think going on quite rapidly now.

Mr. MONK. How far have they got ?

Mr. EMMERSON. I think the whole line is graded down to Murray Harbour.

Mr. WILSON. What is the length of the whole line ?

Mr. EMMERSON. Fifty miles.

Mr. WILSON. I would like to ask whether the contract was let by tender, and if the work is under contract at the present time ?

Mr. EMMERSON. Yes ; a certain proportion of the line was originally put up to tender. Then the contractor, Mr. McManus, through an affliction, was unable to proceed, and it was determined not to accept his tender. I think in that we acted very wisely in all interests. A contract was entered into with Mr. Willard Kitchen, one of the tenderers. An extension of the contract was entered into then for the whole line at his figures down to Murray Harbour, and he is completing the work now. I think he is on the last six and a half miles.

Mr. WILSON. I do not know the reason why the contract was taken from the first contractor, but if it was taken from him I do not see why you did not ask for tenders to finish the job, instead of letting it to another contractor by private contract.

Mr. EMMERSON. The contract was not entered into with Mr. McManus at all, but the other tender was taken.

Mr. SPROULE. Was the other tender a larger one than Mr. McManus' tender ?

Mr. EMMERSON. Yes, it was.

Mr. SPROULE. By how much ?

Mr. EMMERSON. There was very little difference, but there were very excellent reasons on the ground of the health of the party tendering, why the tender should not be accepted. There were special reasons given at the time, and as a result the other tender was accepted.

Mr. WILSON. Perhaps the hon. minister will tell us why there were two tenders asked for. Did you ask for tenders from two different contractors ? How did Mr. McManus come to be connected with it ?

Mr. EMMERSON. He was one of the tenderers.

Mr. WILSON. Was he the lowest ?

Mr. EMMERSON. He was the lowest.

Mr. WILSON. Was the contract awarded to him ?

Mr. EMMERSON. It was not awarded to him, because the department thought it would not be wise to accept his tender and to entrust the work to him because of his condition of health.

Mr. WILSON. They do not always take the lowest tender, do they ?

Mr. EMMERSON. Unless there are exceptional reasons. I want to say that Mr McManus is a very great personal and political friend of my own, but his tender was not accepted for very good reasons in his own interest, and, as I believe, in the interest of the department, because I am sure it would never have done to have had the work carried on by him at that time.

Mr. WILSON. Was there a separate tender for the bridge, and if so, at what rate ?

Mr. EMMERSON. There was a separate tender.

Mr. WILSON. What was the bridge to cost ? Give us a little information at least as to what the tender was for the rest of it.

Mr. EMMERSON. The tenders were made up on the basis of schedule prices. There was not a lump sum quoted for the work, but there were prices quoted for works specifically required.

Mr. WILSON. But the engineers certainly, if there were schedule prices, gave the minister their estimate of the cost of the bridge

Mr. EMMERSON. The estimated cost of the bridge is $1,494,097 ; the estimated cost of the branch to the river, $926,460 ; the estimated cost of rolling stock, $200,000 ; the estimated cost of the extension to the harbour, $104,600 ; and the estimated cost of the cribwork wharf at the harbour, $69,955, making a total estimated cost of $2,795,113.17. Of that we have paid, including the estimated expenditure for 1903-4, $2,072,525.47. We will require for 1904-5 $722,587.70. We take a vote of $650,000 for next year.

Mr. BLAIN. What will be the total cost of the work including the bridge ?

Mr. EMMERSON. $2,795,113.17.

Mr. WILSON. Why does not the minister ask for enough money to complete the work ?

Mr. EMMERSON. We did not wish to ask parliament for more than would be required in that time.

Mr. WILSON. Is it expected that the work will be finished during the fiscal year ?

Mr. EMMERSON. It may not be found necessary to finish the crib-work wharf.

Mr. MONK. Will this complete the work ?

Mr. EMMERSON. No. $722,587.70 would complete it if we put in that crib-work wharf. We are only asking $650,000 in this main estimate.

Mr. MONK. What is the total amount of the contract ?

Mr. EMMERSON. The estimated total amount of the contract including the wharf is $2,795,113.17. There has been expended and paid for up to date including the estimated payments for the year ending 30th of June last, $2,072,525.47. That will leave a balance of $722,587.70, and in the main estimates we ask for $650,000. The wharf is a matter which is to be determined. The contract is such that we need not build it unless we deem it necessary.

Mr. MONK. Am I to understand that on the highway portion of the bridge no tolls will be paid.

Mr. EMMERSON. The provincial government is contributing the interest on the cost of that part of that bridge which is used as a highway, and I understand that they have a statute under which they can collect tolls.

Mr. MONK. What is the arrangement between the local government and the federal government as regards that ; it ought be a free bridge if possible. It seems strange that the local government should be able to collect tolls on a bridge which we are building. I have strong objection to tolls, because we suffer a great deal from that antiquated system in the city of Montreal. How does it come, that the local government by virtue of a local statute can collect tolls on a bridge which we are constructing.

Mr. WILSON. I would impress upon the minister the importance of having a free bridge. In these modern days there should be no tolls on any highway in Canada. Years ago we abolished them on the highways of the riding which I have the honour to represent.

Mr. HACKETT. We are retrograding when we ask the people of Prince Edward Island to pay tolls when crossing over this bridge. I agree with my hon. friends from Jacques Cartier (Mr. Monk) and from Lennox (Mr. Wilson) in their condemnation of tolls. Is the work on that bridge going on at the present time ?

Mr. J. J. HUGHES. I do not think that hon. gentlemen opposite are justified in assuming that the local government will charge tolls on this bridge. I would point out to my hon. friend (Mr. Monk) that the federal government is not bearing the whole cost of this bridge ; the local government is contributing the interest on the cost of that portion of it which will be used as a highway.

Mr. MONK. To whom is the interest being paid by the local government ?

Mr. J. J. HUGHES. To the federal government when the bridge will be in operation. I presume it may be deducted from the provincial subsidies.

Mr. MONK. My hon. friend does not know exactly what the terms of the arrangement are.

Mr. J. J. HUGHES. I know in a general way.

Mr. MONK. I understood the minister to say that the provincial government was entitled to collect tolls, that does not coincide with the statement of my hon. friend.

Mr. J. J. HUGHES. The hon. gentleman (Mr. Monk) said that the federal government was providing the whole cost of that bridge.

Mr. MONK. There is no doubt of that ; my hon. friend (Mr. J. J. Hughes) admits it.

Mr. J. J. HUGHES. In one sense that would be right, but if the local government are paying the interest on a portion of the cost of the bridge, that portion would belong to them.

Mr. MONK. My hon. friend assumes that because the local government are going to pay interest on the highway portion of the bridge, they will own that portion. I do not understand why they should. On the contrary, I think we shall own it ourselves.

Mr. WM. ROSS (Victoria). I think to collect tolls in this age is something wrong. It belongs to the dark ages, and should be abolished. I agree that it is a step in the wrong direction to collect tolls on any bridge in Prince Edward Island. We have no such savage remnant of the past in the whole province of Prince Edward Island.

Mr. MONK. I am very glad my hon. friend has come to my assistance. We have suffered a great deal from bridge tolls in the vicinity of Montreal, and we look upon them as an outrageous abuse—as a survival of the dark ages. We would like to abolish them, but my hon. friend the Minister of Finance has hitherto been an obstacle in the way. Willingly or unwillingly, he has not helped us as we expected he would to abolish these tolls. But I think we are entitled, before passing this item, to know what the arrangements are.

Mr. EMMERSON. The arrangements are embodied in chapter 7 of 63-64 Victoria of the Statutes of Canada, confirming an agreement made between the Minister of Railways of Canada and the Commissioner of Public Works of the province of Prince Edward Island. Under that agreement the provincial government is to pay so much money yearly to the Dominion government, and is to have control of and keep in repair

the highway portion of the bridge, and to have the exclusive right to levy and collect tolls and charges for the use of the bridge if it desires to do so.

Mr. MONK. As I understand, the provincial government is not limited in its right to collect tolls, but can collect any amount it sees fit. In the vicinity of Montreal the amount of the tolls, at any rate, is limited. But I call my hon. friend's attention to this —and I do it very disinterestedly on the part of the people who will use that bridge —that in connection with this bridge an abuse is being created which we have been trying to abolish in the neighbourhood of Montreal for over thirty years, and which was established there shortly after the conquest. We have had there the creation of a trust, and tolls have been exacted mercilessly from the people and have gone in great part to pay the expenses of the trustees and of the administration generally. My hon. friend will notice that the provincial government is merely obliged to pay a certain fixed amount every year and to keep the wooden part of this bridge in repair. The bridge is certainly a work of general advantage to the people of Prince Edward Island. It has cost a great deal, and we have not finished paying for it yet. We have built it entirely at our own expense. It is therefore to be considered as a work for the general advantage of the Dominion. The obligation of the local government to keep the roadway planked and the wooden part of the bridge painted is very slight. I venture to say, from the experience that I have had, that that obligation in future will be largely lessened by the large amount of work which the federal government will have to perform upon that bridge. In the interest of the people of the island—and I am sure my hon. friend will support me in that—it will be a very great advantage to have that right of collecting tolls abolished and free circulation given to the people.

Mr. HACKETT. What is being done in connection with the Hillsboro bridge? Is the work going on?

Mr. EMMERSON. Yes.

Mr. HACKETT. I have read in the newspapers that one of the piers has settled somewhat and got out of line and that the contractor was not able to go on with the work.

Mr. EMMERSON. The newspaper was misinformed. He is going on with the work.

Mr. J. J. HUGHES. The case of the Montreal Turnpike Trust is not parallel with the one in question. The Montreal bridge is owned by a road company, but this bridge will be owned by the people of Prince Edward Island, and it is entirely in their hands whether they shall charge tolls or not.

Mr. MONK. So it is with us.

Mr. EMMERSON.

Mr. J. J. HUGHES. The people of Prince Edward Island will no doubt be pleased with the sympathy which the hon. gentleman shows in their affairs, but this matter is entirely in their own hands. The government will not levy a toll if the people do not wish it.

Mr. MONK. Does not my hon. friend think it would be a great advantage to the people who are going to use the bridge, to have the certainty that no toll will be charged?

Mr. J. J. HUGHES. That will be a matter for the people themselves to decide.

Mr. MONK. In the neighbourhood of Montreal the roads are government roads. They are under the control of the trusts who represent the government. On the Island of Montreal some of these trusts are appointed by the Minister of Finance and some by the local government; but as a matter of fact the roads to which I refer, and in connection with which the abuses I have condemned exist, are under the control of the people of the province of Quebec. It appears to me a pity that we should create an abuse among the people who are going to use this bridge. It would be better it should be a free bridge just as are the Interprovincial bridge here and others being built now.

Mr. J. J. HUGHES. Perhaps it will.

Mr. MONK. What makes my hon. friend think it will? Had we not better, since we are paying for it, make sure of that now?

Mr. J. J. HUGHES. The province is paying for it.

Mr. MONK. Is the province contributing in any measure to the construction of the bridge?

Mr. J. J. HUGHES. I do not want to split hairs. The province is paying the interest on the cost of that portion of the bridge.

Mr. EMMERSON. Unless the bridge be built, the people of Prince Edward Island will have to continue their ferry, which has been in operation there for generations, at the expense of the people, and the ferry costs the people a much larger sum than would these tolls. It is a matter of provincial arrangement. The people, I presume, will know what is best in their own interest; and as they are contributing a large amount, I do not see that we need worry ourselves about the matter.

Mr. FIELDING. In any case it is not the business of this government to supply free roads either to the people of Prince Edward Island or of Quebec. In this case the people of Prince Edward Island are giving a contribution which is supposed to represent the interest on the cost of constructing that portion. And whether they charge tolls or not is a matter for themselves to determine. If they like to tax themselves, that is their business and not ours.

Mr. MONK. That is the old argument we hear every time we ask for relief for the province of Quebec. My hon. friend says it is not the business of the federal government to provide free roads for the province of Quebec.

Mr. FIELDING. Or any other province.

Mr. MONK. It is unfortunate that he should argue in that way. He knows it is not our business either to lend money to the trustees of Montreal roads, but we have done that and we are to-day in this position, that we hold $200,000 of bonds of the Montreal Turnpike Trust on which the interest is not paid, and the masters of the situation are this government. The interest on those bonds has never been paid, and it is in the power of my hon. friend to say to the trustees of the Montreal roads and the local government: It is time this abuse shall cease and we are willing to forego our interest and the capital, provided the necessary reforms are made. Does my hon. friend pretend that when we are voting a sum of over $1,000,000 for the construction of a bridge, the whole cost of which we shall pay, it is not in our power to say: we will not vote that money unless there will be free circulation on the bridge for the people?

Mr. FIELDING. But my hon. friend overlooks the very important fact that we have already put in our conditions by a solemn agreement between this parliament and the parliament of Prince Edward Island. That agreement is signed, sealed and delivered. It suits the people of Prince Edward Island, and why we should be so anxious to prevent their paying tolls, I cannot understand. As to the Quebec case, we possibly have gone out of our way to lend money to the trustees of the Montreal turnpike road, but surely that is not an offence of which we should be accused. Surely my hon. friend does not consider that a crime.

Mr. MONK. No, but we stand in the position of a creditor who can impose on his debtor what conditions he chooses.

Mr. FIELDING. The one condition which my hon. friend is not willing to impose is that the debt should be paid or any part of it.

Mr. MONK. My hon. friend knows perfectly well that the debt is not collectable. I admit there is a distinction between the two cases, but it was only right that we should find out on behalf of the people of Prince Edward Island what are the conditions for the use of the bridge. There is an agreement in this case, but in that of the Montreal Turnpike there is none.

Mr. WILSON. How much did we pay per mile for the building of the railway? What was the contract price? I understood the hon. minister to say that the whole road was let by tender, but there is some doubt about it.

Mr. EMMERSON. $4,621 per mile. That is exclusive of the bridge and of the wharf, that includes rails and equipment.

Mr. WILSON. Was it all let by tender?

Mr. EMMERSON. Yes; as I have explained.

Mr. INGRAM. That is surely not in keeping with the statements that have already been made to this House.

Mr. EMMERSON. I have stated it as I have stated it.

Mr. INGRAM. You are not sure of your ground.

Mr. EMMERSON. I have given the history of the matter just as I have now stated it.

Mr. WILSON. What I understood from the minister is that the lowest tenderer was to have got the contract, but the government judged that he was not fit to carry it out, and the next lowest tenderer was given the contract. Is that the case with the whole road?

Mr. EMMERSON. It was extended subsequently, as I stated before. The whole contract was given to the contractor who had received a portion of it at certain schedule rates, and it was continued to completion under that arangement.

Mr. WILSON. When I asked if this was tendered for in two different parts, I understood the minister to say no.

Mr. EMMERSON. I did not wish to convey a different impression from what I am telling my hon. friend now. They only tendered for a portion of the road originally, but it was extended to the contract for the remaining portion.

Mr. WILSON. Without tender?

Mr. EMMERSON. Without tender.

Mr. INGRAM. That is the truth?

Mr. EMMERSON. That is what I endeavoured to say.

Mr. INGRAM. The hon. gentleman said in the first place, and led us to believe, that it was given by tender, when it was nothing of the kind.

Mr. EMMERSON. I did not wish to convey that impression, because I had stated differently earlier in the evening. I had given the facts before just as I have given them now.

Mr. SPROULE. I understood the minister to say that the province pays $9,750 a year, which is supposed to be the interest upon the cost of the passenger traffic part of the bridge. Is that in perpetuity or for any definite length of time?

Mr. EMMERSON. It is unlimited.

Mr. SPROULE. We find that in many of these items the contracts are changed from

the description given last year. The minister should tell us any changes that have been made since last year, if the contract has not been carried out on the same basis, for the same amount, and on the same principle ; and he should also tell us if the progress which has been made is commensurate with the original undertaking as to the completion of the contract at a definite period.

Mr. EMMERSON. There is no change in the contract from what it was last year.

Mr. SPROULE. The same amount ?

Mr. EMMERSON. The same rates are being paid this year as last.

Mr. SPROULE. The same rates ? I do not know whether the minister is designedly indefinite and thinks that that statement should satisfy the House, or whether he is innocently making indefinite statements. From his statements we cannot tell what kind of a contract has been entered into. Did the party who is now doing the whole work contract for a portion of it at schedule rates simply, and is he now working on schedule prices ?

Mr. EMMERSON. I want to be clear, and to give the facts as they are. I do not know whether it is my fault in trying to explain these things or my hon. friend's fault in understanding it. What I wish to say is that Mr. Kitchen tendered for a portion of this line ; the line was from a certain point in Prince Edward Island to Murray Harbour.

Mr. SPROULE. And everything on schedule prices ?

Mr. EMMERSON. Everything was on schedule prices. Only a portion of the line was tendered for in the first instance. Subsequently the whole line to Murray Harbour was given to that same contractor on those same schedule prices.

Mr. SPROULE. That might be very fair and might be very unfair. To illustrate, on some portion of the line the grading might be very difficult and on other portions very easy. There might be one kind of material in one place and another kind in another place.

Mr. EMMERSON. They are paid according to the material.

Mr. SPROULE. The schedule prices being so much per cubic yard. Supposing you commence moving this material and are first moving the very easiest kind, and pay the contractors 25 cents a yard. If you come to a hard place it would be worth a great deal more, and in order to determine whether the contract was properly let or not we should have some information as to the character of the ground over which this railway is to be built, whether it is uniform and likely to be of uniform cost in different parts. We have no information in regard to that. A man might take a small piece of work where it was very heavy, and the schedule price would not be high ; but if he extended that same work into a locality where there was an easy soil and where he did not have to remove the material to as great a distance, then the price would be relatively very much higher. We ought to know all of this, in order to enable us to determine whether the contract is a reasonable one or not.

Mr. EMMERSON. The schedule provides so much for rock, so much for earth and so much for other material, broken stone, etc.

Mr. SPROULE. Could the minister give us those prices ?

Mr. EMMERSON. I made a return of that some time ago to parliament. I have not the contract here.

Mr. HACKETT. In connection with the bridge, I would ask the minister whether there is a contract for the building of the substructure only, or for the building of the whole bridge ?

Mr. EMMERSON. There is one contract with Mr. Heney for the substructure and also a contract for the removal of the bridge from the Miramichi river to Prince Edward Island, and for the erecting of it on the substructure over the Hillsboro' river.

Mr. HACKETT. Who has the contract for the moving of the bridge ?

Mr. EMMERSON. Mr. Hugh Macdonald.

Mr. HACKETT. Will that bridge be quite wide enough to afford this carriage driveway alongside the railway, or will the bridge require to be extended ?

Mr. EMMERSON. There is a sidewalk apart from the bridge as it now exists, and a carriage way will interlock with the railway proper, the bridge not being wide enough to have a separate track.

Mr. HACKETT. Will there be a carriage driveway on either side of the bridge ?

Mr. EMMERSON. No, only on one side. Then there will be a passage for pedestrians, a sidewalk on both sides. That will be maintained by the local government.

Mr. HACKETT. Will this bridge over the southwestern branch of the Miramichi be quite sufficient to span the Hillsboro river ?

Mr. EMMERSON. There are two Miramichi bridges, the northwest and the southwest. They proved to be too light for very heavy engines, and therefore they are being removed. We are taking all of the southwest bridge and a portion of the northwest, and utilizing them for bridging the Hillsboro river. The material is just as good as a new bridge would be purchased outright, because if you were to purchase one outright you could not get a heavier class of bridge than the one you are now getting from the Miramichi.

Mr. HACKETT. What is the age of the bridge on the Miramichi river ?

Mr. EMMERSON. The line was opened, I think, in 1876.

Prince Edward Island Railway—New station at Alberton, $2,000.

Mr. EMMERSON. There were $3,000 provided last year, and the estimated expenditure during the year was $1,000. We require a revote of $2,000, and we shall still require to supplement this by $2,500 more. We are asking for tenders on three conditions, one to build in stone, one in brick and one in wood. The matter has not yet been finally determined, but I think it will be in favour of stone. The total cost will be about $4,500.

Mr. LENNOX. Is this a revote ?

Mr. EMMERSON. Last year $3,000 was provided, and we are now asking for $2,000. When these estimates were made out in February last it was supposed we would have $1,000 expended. But that has not been the case, because of delay in deciding on the quality of the material to be used. Therefore this vote should have appeared as $4,500 instead of $2,000. As it does appear here we are asking you to vote $2,000 with the understanding that $2,500 more will be provided in the supplementaries.

Mr. LENNOX. It does not appear in the estimates that there has been anything expended at all. The $3,000 voted last year and the $2,000 this year will make $5,000. Perhaps this is a mistake in the estimates as printed.

Mr. EMMERSON. Last year we did not expend anything.

Mr. SPROULE. Why don't you call it a revote ?

Mr. EMMERSON. I have it marked here as a revote of $2,000. There appears to have been two or three errors of that kind made by the printers. They were not made in the Department of Railways and Canals. We estimated the expenditure in February last, and expected that the expenditure during the fiscal year ending June 30 would be $1,000, and we therefore ask for a revote of $2,000. But it is now found in view of the material that we will likely use, that we will require this $2,000. We have not expended a dollar of the vote of last year, and we will require $2,500 more, making a total expenditure at that point of $4,500.

Mr. SPROULE. We know the amount will be $4,500. But I understand the minister to say he has not expended a dollar of the usual vote given last year. Then that is wrong to begin with, and leaves a wrong impression upon the minds of the committee. Have you no proof reader to go over the amounts after they are printed ?

Mr. EMMERSON. We do not have anything to do with them. We send over our estimates to the Finance Department and they are sent forward to the Printing Bureau. They do not come back to us.

Mr. LENNOX. I trust the minister will take some precaution to see that this does not occur again. Here we have $2,000 when it ought to be $3,000, he should have asked a revote of $3,000. Then there is a mistake in the other column of $2,000 at all events. Now, there are various items showing the same error. It makes a material difference in testing what is the actual expenditure of the government.

Mr. EMMERSON. I quite agree with my hon. friend.

Mr. HACKETT. Has any action been taken with regard to building this new station at Alberton ?

Mr. EMMERSON. Tenders have been received, but the contract has not been awarded because we have not yet decided whether to use wood or stone.

Mr. HACKETT. I trust the minister will build a first-class station there.

Mr. EMMERSON. We hope to.

Mr. HACKETT. Now, with regard to another matter. Has any action been taken to avoid the Y coming into that station ?

Mr. EMMERSON. The matter is under consideration.

Mr. HACKETT. Have you a report on it from any of your officers ?

Mr. EMMERSON. Yes, I have a report from the officer.

Mr. HACKETT. Will the hon. minister do what he possibly can to abate the nuisance ?

Mr. EMMERSON. Yes, if it is possible to do so we will certainly do it.

Mr. BLAIN. Will this $4,500 complete the building including heating and lighting apparatus ?

Mr. EMMERSON. Everything. We believe that $4,500 will be the whole expenditure.

Mr. BLAIN. What proportion will go for heating and lighting ?

Mr. EMMERSON. It will be heated by stoves. There will be no hot water system.

Mr. SPROULE. I understood the hon. minister to say that $4,500 is likely to be the full cost but he told us previously that he had an estimate for a building in wood, another in brick and another in stone. Which material did he contemplate using when he made up the estimate of $4,500 ?

Mr. EMMERSON. I am basing that on the idea of utilizing stone.

Mr. SPROULE. If other material is used it will cost less ?

Mr. EMMERSON. Yes.

Mr. HACKETT. There was an amount voted last year for building small stations at Richmond, Northam and Alberton. Are these works being proceeded with ?

Mr. EMMERSON. Yes, they will be completed within the fiscal year.

Mr. HACKETT. The contracts have been let ?

Mr. EMMERSON. Yes, months ago. The works are under contract and they have to be finished within the time to be paid out of the appropriation of last year.

Mr. HACKETT. The important thing is to have the accommodation for the people before the stormy weather commences in the fall of the year. I would like to have that attended to.

Mr. EMMERSON. They will have to be completed now in order to be paid out of this appropriation.

Prince Edward Island Railway—Survey of Montague bridge, $500.

Mr. SPROULE. I would like to ask the minister what is the meaning of this item ?

Mr. EMMERSON. Last year there was $2,000 provided. Here is where another error occurs in making up the estimates. This is a survey of a proposed branch line of railway and there was $1,500 expended on it up to the 30th June. That was the estimated amount and we anticipate that amount will be required. That leaves $500 unexpended and we are asking for this re-vote.

Mr. SPROULE. It should be marked 'revote.'

Mr. EMMERSON. Yes. I think there have been four or five errors of that kind in the estimates.

Mr. BLAIN. What was the $1,500 expended on ?

Mr. EMMERSON. In making a survey of this proposed branch of railway from Cardigan to Montague bridge.

Mr. HACKETT. I desire to bring to the notice of the hon. minister the building of a branch line of railway from O'Leary to the west shore of Prince Edward Island, about 12 miles in length. The hon. minister will remember that for several years past I have brought this matter up in this honourable House and that it has been received favourably by the government. I would like to ask him if he intends to have a survey made ?

Mr. EMMERSON. That matter has already been brought to my notice by the people of Prince Edward Island. Senator Yeo and others have presented petitions and made representations in reference to it. It is having the consideration of the department and I shall be very happy to announce any decision later on that may be reached in respect to the matter.

Mr. HACKETT. I asked a question myself in connection with this matter in the early part of the session and the hon. minister said then, about three months ago, that it was under consideration. He has been considering it ever since. I cannot get any definite answer from him. I have a resolution passed by the people of that section of the country who are suffering from the want of proper facilities for the transportation of their produce and other things. It is as follows :

At a meeting held in Springfield Hall, lot 8, Prince Edward Island, on March 9th, 1904 for the purpose of discussing the question of a branch line from the main line of the Prince Edward Island Railway to Cape Wolfe on the west shore of the island, the following resolution was moved by Mr. W. J. Wortman, seconded by Mr. Stephen McEachern, and carried unanimously, to be presented to the Minister of Railways through our representatives at Ottawa :—

To the Hon. H. R. Emmerson,
Minister of Railways, Ottawa.

May it please your Honour.

Whereas, a largely signed petition of the electors of townships No. 7, 8 and 9 praying for a branch line of railway from the main line of the Prince Edward Island Railway at or near O'Leary station to Cape Wolfe on the west shore of the island, was forwarded to the Department of Railways during the session of 1903.

And whereas, the prayer of the petition has not received the consideration of the government.

Therefore, resolved, that the electors of townships No. 7, 8 and 9 desire to impress on the Minister of Railways the urgent needs of this section of the province, as stated in the petition of 1903, and the necessity of complying with the prayer of the said petition during the present session of parliament.

(Sgd.) W. T. COSTAIN,
PETER J. BULGER Chairman.
Secretary.

Springfield, lot 8, March 9, 1904.

I would like the hon. minister to do something to relieve these people in their necessities as they present them in this resolution and as they have been shown by the petition sent to the hon. minister himself.

Mr. SPROULE. As we are having morning sittings and it makes a pretty long day, and as we have got through with a pretty good share of the business to-day I would suggest that the committee might rise.

Mr. EMMERSON. I was going to make that suggestion to my hon. friend. We have covered quite a number of items to-day and we cannot work too long at night. I move that the committee rise and report progress.

Some resolutions reported.

Mr. FIELDING moved the adjournment of the House.

Mr. SPROULE. What business will be taken up to-morrow ?

Mr. FIELDING. We expect to continue the estimates of my hon. friend the Minister of Railways and Canals.

Motion agreed to, and House adjourned at 11.15 p.m.

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FOURTH SESSION—NINTH PARLIAMENT, 1904.

VOL. III., 1904.

From the First day of June to the Fifth day of July, inclusive.

Abbreviations of well known words and Parliamentary expressions are used in the following:—1°, 2°, 3°, First Reading, Second Reading, Third Reading; 3 m. h., 6 m. h., 6 w. h., Three Months' Hoist, Six Months' Hoist, Six Weeks' Hoist; *, without remarks or debate; Accts., Accounts; Adjn., Adjourn; Adjd., Adjourned; Amt., Amendment; Amts., Amendments; Amalg., Amalgamation; Ans., Answer; Ass., Assurance; B., Bill; B.C., British Columbia; Can., Canada or Canadian; C.P.R., Canadian Pacific Railway; Com., Committee; Co., Company; Conc., Concur, Concurred, Concurrence; Consd., Consider; Consdn., Consideration; Cor., Correspondence; Deb., Debate; Dept., Department; Depts., Departments; Div., Division; Dom., Dominion; Govt., Government; His Ex., His Excellency the Governor General; Hse., House; H. of C., House of Commons; Incorp., Incorporation; Ins., Insurance; I.C.R., Intercolonial Railway; Man., Manitoba; Mess., Message; M., Motion; m., moved. Neg., Negatived; N.B., New Brunswick; N.W.T., North-west Territories; N.S., Nova Scotia; O.C., Order in Council; Ont., Ontario; P.E.I., Prince Edward Island; P.O., Post Office; Par., Paragraph; Prop., Proposed; Q., Quebec; Ques., Question; Recom., Recommit; Ref., Refer, Referred, Reference; Rep., Report, Reported; Reps., Reports; Res., Resolution; Ret., Return; Ry., Railway; Rys., Railways; Sel., Select; Sen., Senate; Sp., Special; Stmnt., Statement; Sup., Supply; Suppl., Supplement, Supplementary; Wthdn., Withdrawn; Wthdrl., Withdrawal; Y.N., Yeas and Nays; Names in Italics and parentheses are those of the mover.

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